



Harbor Funds

Quarterly Schedule of
Portfolio Holdings
July 31, 2011

Domestic Equity Funds

	Institutional Class	Administrative Class	Investor Class
Growth			
Harbor Capital Appreciation Fund	HACAX	HRCAX	HCAIX
Harbor Mid Cap Growth Fund	HAMGX	HRMGX	HIMGX
Harbor Small Cap Growth Fund	HASGX	HRSGX	HISGX
Value			
Harbor Large Cap Value Fund	HAVLX	HRLVX	HILVX
Harbor Mid Cap Value Fund	HAMVX	HRMVX	HIMVX
Harbor Small Cap Value Fund	HASCX	HSVRX	HISVX
Harbor Small Company Value Fund	HASMX	HRSMX	HISMX

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Harbor Capital Appreciation Fund

PORTFOLIO OF INVESTMENTS—July 31, 2011 (Unaudited)

Equity Holdings (% of net assets)

(Excludes net cash and short-term investments of 0.6%)

Computers & Peripherals	8.4
Textiles, Apparel & Luxury Goods	7.9
Software	7.6
IT Services	5.8
Internet & Catalog Retail	5.7
Internet Software & Services	5.6
Pharmaceuticals	5.5
Aerospace & Defense	5.3
Hotels, Restaurants & Leisure	5.3
Energy Equipment & Services	4.1
Chemicals	3.5
Communications Equipment	2.9
Food & Staples Retailing	2.9
Semiconductors & Semiconductor Equipment	2.8
Oil, Gas & Consumable Fuels	2.7
Biotechnology	2.5
Specialty Retail	2.5
Life Sciences Tools & Services	2.3
Food Products	2.0
Media	1.8
Consumer Finance	1.7
Health Care Providers & Services	1.7
Automobiles	1.5
Personal Products	1.5
Capital Markets	1.4
Wireless Telecommunication Services	1.3
Auto Components	1.2
Machinery	1.0
Road & Rail	1.0

COMMON STOCKS—Continued

Shares		Value (000s)
BIOTECHNOLOGY—2.5%		
709,522	Alexion Pharmaceuticals Inc.*	\$ 40,301
3,154,945	Celgene Corporation*	187,088
1,495,524	Vertex Pharmaceuticals Inc.*	77,558
		<u>304,947</u>
CAPITAL MARKETS—1.4%		
3,520,425	Charles Schwab Corporation	52,560
829,933	Goldman Sachs Group Inc.	112,016
		<u>164,576</u>
CHEMICALS—3.5%		
3,127,060	E.I. du Pont de Nemours & Company	160,793
3,500,489	Monsanto Company	257,216
		<u>418,009</u>
COMMUNICATIONS EQUIPMENT—2.9%		
6,021,678	Juniper Networks Inc.*	140,847
3,699,030	Qualcomm Inc.	202,633
		<u>343,480</u>
COMPUTERS & PERIPHERALS—8.4%		
1,528,071	Apple Inc.*	596,681
10,580,311	EMC Corp.*	275,934
2,952,538	NetApp Inc.*	140,305
		<u>1,012,920</u>
CONSUMER FINANCE—1.7%		
3,993,833	American Express Co.	199,851
		<u>199,851</u>
ENERGY EQUIPMENT & SERVICES—4.1%		
1,427,132	National Oilwell Varco Inc.	114,984
4,179,124	Schlumberger Ltd.	377,667
		<u>492,651</u>
FOOD & STAPLES RETAILING—2.9%		
2,244,590	Costco Wholesale Corporation	175,639
2,566,191	Whole Foods Market Inc.	171,165
		<u>346,804</u>
FOOD PRODUCTS—2.0%		
918,719	Green Mountain Coffee Roasters Inc.*	95,501
1,953,778	Mead Johnson Nutrition Company	139,441
		<u>234,942</u>
HEALTH CARE PROVIDERS & SERVICES—1.7%		
3,845,671	Express Scripts Inc.*	208,666
		<u>208,666</u>
HOTELS, RESTAURANTS & LEISURE—5.3%		
613,824	Chipotle Mexican Grill Inc.*	199,235
2,026,808	Marriott International Inc.	65,871
1,402,009	McDonald's Corporation	121,246
6,201,511	Starbucks Corp.	248,619
		<u>634,971</u>
INTERNET & CATALOG RETAIL—5.7%		
2,466,324	Amazon.com Inc.*	548,806
87,010	Netflix Inc.*	23,144
205,838	Priceline.com Inc.*	110,669
		<u>682,619</u>
INTERNET SOFTWARE & SERVICES—5.6%		
1,497,062	Baidu Inc. ADR (CHN)* ¹	235,143
554,944	Google Inc.*	335,014
382,335	Mail.ru Group Ltd. GDR (RUS)* ^{2,3}	13,657
2,835,680	Tencent Holdings Ltd. (CHN)	73,860
544,125	Youku.com Inc. ADR (CHN)* ¹	20,084
		<u>677,758</u>

COMMON STOCKS—99.4%

Shares		Value (000s)
AEROSPACE & DEFENSE—5.3%		
2,504,521	Boeing Company	\$ 176,494
1,717,394	Precision Castparts Corp.	277,153
2,272,023	United Technologies Corporation	188,214
		<u>641,861</u>
AUTO COMPONENTS—1.2%		
1,748,138	BorgWarner Inc.*	139,187
		<u>139,187</u>
AUTOMOBILES—1.5%		
1,499,044	Bayerische Motoren Werke AG (GER)	150,390
818,228	Harley-Davidson Inc.	35,503
		<u>185,893</u>

Harbor Capital Appreciation Fund

PORTFOLIO OF INVESTMENTS—Continued

COMMON STOCKS—Continued

Shares		Value (000s)
IT SERVICES—5.8%		
1,307,031	Cognizant Technology Solutions Corporation*	\$ 91,322
1,727,095	International Business Machines Corporation	314,072
942,948	MasterCard Inc.	285,949
		<u>691,343</u>
LIFE SCIENCES TOOLS & SERVICES—2.3%		
3,694,981	Agilent Technologies Inc.*	155,781
1,910,539	Illuminia Inc.*	119,313
		<u>275,094</u>
MACHINERY—1.0%		
1,591,325	Deere & Co.	124,935
MEDIA—1.8%		
5,518,944	Walt Disney Company	213,142
OIL, GAS & CONSUMABLE FUELS—2.7%		
1,018,742	Anadarko Petroleum Corporation	84,107
816,903	EOG Resources Inc.	83,324
1,549,424	Occidental Petroleum Corporation	152,123
		<u>319,554</u>
PERSONAL PRODUCTS—1.5%		
1,778,053	Estée Lauder Companies Inc.	186,536
PHARMACEUTICALS—5.5%		
2,150,290	Allergan Inc.	174,840
715,142	Johnson & Johnson	46,334
1,367,983	Novo Nordisk AS ADR (DEN) ¹	166,921
2,272,234	Shire plc ADR (IE) ¹	236,313
646,044	Valeant Pharmaceuticals International Inc.	35,552
		<u>659,960</u>
ROAD & RAIL—1.0%		
1,218,277	Union Pacific Corporation	124,849
SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT—2.8%		
1,412,406	Altera Corp.	57,739
1,640,256	ARM Holdings plc ADR (UK) ¹	47,223
4,006,972	Atmel Corporation*	48,484
3,494,892	Avago Technologies Ltd.	117,533
1,729,015	Broadcom Corporation*	64,095
		<u>335,074</u>

COMMON STOCKS—Continued

Shares		Value (000s)
SOFTWARE—7.6%		
10,222,687	Oracle Corp.	\$ 312,610
3,184,686	Red Hat Inc.*	134,011
1,588,708	Salesforce.com Inc.*	229,902
663,837	SuccessFactors Inc.*	17,924
2,166,491	VMware Inc.*	217,386
		<u>911,833</u>
SPECIALTY RETAIL—2.5%		
1,719,371	Bed Bath & Beyond Inc.*	100,566
1,692,627	Tiffany & Co.	134,716
1,875,739	Urban Outfitters Inc.*	61,037
		<u>296,319</u>
TEXTILES, APPAREL & LUXURY GOODS—7.9%		
4,751,230	Burberry Group plc (UK)	116,516
2,491,415	Coach Inc.	160,846
1,367,272	Lululemon Athletica Inc.*	82,774
714,017	LVMH Moët Hennessy Louis Vuitton SA (FR)	131,273
2,419,456	Nike Inc.	218,114
1,727,433	Polo Ralph Lauren Corporation	233,324
		<u>942,847</u>
WIRELESS TELECOMMUNICATION SERVICES—1.3%		
3,046,985	American Tower Corporation*	160,058
TOTAL COMMON STOCKS		
	(Cost \$8,783,240)	<u>11,930,679</u>
SHORT-TERM INVESTMENTS—0.3%		
	(Cost \$36,494)	
Principal Amount (000s)		
REPURCHASE AGREEMENTS		
	Repurchase Agreement with State Street Corporation dated July 29, 2011 due August 1, 2011 at 0.010% collateralized by U.S. Treasury Notes (market value \$ 36,494 \$37,225)	<u>36,494</u>
TOTAL INVESTMENTS—99.7%		
	(Cost \$8,819,734)	<u>11,967,173</u>
CASH AND OTHER ASSETS, LESS LIABILITIES—0.3%		
		<u>33,790</u>
TOTAL NET ASSETS—100.0%		
		<u>\$12,000,963</u>

FAIR VALUE MEASUREMENTS

Repurchase Agreements valued at \$36,494 are classified as Level 2. All other holdings at July 31, 2011 (as disclosed in the preceding Portfolio of Investments) are classified as Level 1. There were no Level 3 holdings at October 31, 2010 or July 31, 2011, and no significant transfers between levels during the period.

For more information on valuation inputs and their aggregation into the levels identified above, please refer to the Fair Value Measurements section in Note 2 of the accompanying Notes to Portfolios of Investments.

Harbor Capital Appreciation Fund

PORTFOLIO OF INVESTMENTS—Continued

* Non-income producing security.

1 ADR after the name of a foreign holding stands for American Depositary Receipts representing ownership of foreign securities. ADRs are issued by U.S. banking institutions.

2 GDR after the name of a holding stands for Global Depositary Receipts representing ownership of foreign securities. GDRs are issued by either U.S. or non-U.S. banking organizations.

3 Securities purchased in a transaction exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. The Fund has no right to demand registration of these securities. These securities are priced by an independent pricing service in accordance with Harbor Funds Valuation Procedures. At July 31, 2011, these securities were valued at \$13,657 or less than 1% of net assets.

CHN China.

DEN Denmark.

FR France.

GER Germany.

IE Ireland.

RUS Russia.

UK United Kingdom.

The accompanying notes are an integral part of the Portfolio of Investments.

Harbor Mid Cap Growth Fund

PORTFOLIO OF INVESTMENTS—July 31, 2011 (Unaudited)

Equity Holdings (% of net assets)

(Excludes net cash and short-term investments of 3.8%)

Oil, Gas & Consumable Fuels	7.8
Software	6.8
Semiconductors & Semiconductor Equipment	5.7
Communications Equipment	5.2
Health Care Equipment & Supplies	5.2
Food Products	5.0
Specialty Retail	4.4
Hotels, Restaurants & Leisure	3.9
IT Services	3.8
Construction & Engineering	3.7
Internet & Catalog Retail	3.5
Textiles, Apparel & Luxury Goods	3.3
Road & Rail	3.2
Household Durables	2.8
Life Sciences Tools & Services	2.8
Diversified Consumer Services	2.5
Aerospace & Defense	2.4
Health Care Technology	2.3
Health Care Providers & Services	2.1
Energy Equipment & Services	1.8
Electronic Equipment, Instruments & Components	1.5
Food & Staples Retailing	1.3
Building Products	1.2
Leisure Equipment & Products	1.2
Metals & Mining	1.2
Commercial Services & Supplies	1.1
Containers & Packaging	1.1
Media	1.0
Pharmaceuticals	1.0
Trading Companies & Distributors	1.0
Chemicals	0.9
Machinery	0.9
Auto Components	0.8
Capital Markets	0.8
Biotechnology	0.7
Diversified Financial Services	0.7
Professional Services	0.7
Wireless Telecommunication Services	0.7
Automobiles	0.2

COMMON STOCKS—96.2%

Shares		Value (000s)
AEROSPACE & DEFENSE—2.4%		
406,899	DigitalGlobe Inc.*	\$ 10,628
340,400	Textron Inc.	7,874
		<u>18,502</u>
AUTO COMPONENTS—0.8%		
222,100	Gentex Corporation	6,294
AUTOMOBILES—0.2%		
74,750	Thor Industries Inc.	1,849
BIOTECHNOLOGY—0.7%		
110,300	Amylin Pharmaceuticals Inc.*	1,314
52,500	Onyx Pharmaceuticals Inc.*	1,731
45,830	Regeneron Pharmaceuticals Inc.*	2,432
		<u>5,477</u>
BUILDING PRODUCTS—1.2%		
247,800	Owens Corning*	8,817
CAPITAL MARKETS—0.8%		
301,600	SEI Investments Company	5,965
CHEMICALS—0.9%		
233,400	Methanex Corporation (CAN)	6,918
COMMERCIAL SERVICES & SUPPLIES—1.1%		
212,420	Corrections Corp. of America*	4,558
188,200	The GEO Group Inc.*	3,915
		<u>8,473</u>
COMMUNICATIONS EQUIPMENT—5.2%		
1,402,000	AAC Acoustic Technologies Holdings Inc. (HK)	3,227
147,500	Acme Packet Inc.*	8,691
44,408	ADTRAN Inc.	1,469
338,510	Aruba Networks Inc.*	7,769
75,400	F5 Networks Inc.*	7,048
418,600	Polycom Inc.*	11,315
		<u>39,519</u>
CONSTRUCTION & ENGINEERING—3.7%		
389,500	AECOM Technology Corporation*	9,636
103,144	FLSmidth & Co. AS (DEN)	8,017
72,600	Fluor Corp.	4,612
231,500	Foster Wheeler AG*	6,274
		<u>28,539</u>
CONTAINERS & PACKAGING—1.1%		
213,900	Ball Corp.	8,299
DIVERSIFIED CONSUMER SERVICES—2.5%		
40,500	Anhanguera Educacional Participacoes SA (BR)	786
522,600	Estacio Participacoes SA (BR)	6,473
144,526	Weight Watchers International Inc.	11,156
102,033	Xueda Education Group ADR (CHN)* ¹	906
		<u>19,321</u>
DIVERSIFIED FINANCIAL SERVICES—0.7%		
724,300	Great American Group Inc.*	130
324,731	Justice Holdings Ltd. (UK)*	5,224
		<u>5,354</u>
ELECTRONIC EQUIPMENT, INSTRUMENTS & COMPONENTS—1.5%		
442,450	Jabil Circuit Inc.	8,101
105,200	Universal Display Corporation*	3,147
		<u>11,248</u>

Harbor Mid Cap Growth Fund

PORTFOLIO OF INVESTMENTS—Continued

COMMON STOCKS—Continued

Shares		Value (000s)
ENERGY EQUIPMENT & SERVICES—1.8%		
116,300	Ensco plc ADR (UK) ¹	\$ 6,193
131,000	Tidewater Inc.	7,119
		<u>13,312</u>
FOOD & STAPLES RETAILING—1.3%		
105,100	Fresh Market Inc.*	3,734
95,900	Whole Foods Market Inc.	6,397
		<u>10,131</u>
FOOD PRODUCTS—5.0%		
296,316	Green Mountain Coffee Roasters Inc.*	30,802
349,200	Smithfield Foods Inc.*	7,689
		<u>38,491</u>
HEALTH CARE EQUIPMENT & SUPPLIES—5.2%		
184,800	Edwards Lifesciences Corp.*	13,186
189,200	Gen-Probe Inc.*	11,456
82,200	HeartWare International Inc.*	5,461
463,500	Hologic Inc.*	8,607
3,300	Intuitive Surgical Inc.*	1,322
		<u>40,032</u>
HEALTH CARE PROVIDERS & SERVICES—2.1%		
146,200	Cardinal Health Inc.	6,398
144,200	Catalyst Health Solutions Inc.*	9,449
		<u>15,847</u>
HEALTH CARE TECHNOLOGY—2.3%		
440,300	Allscripts-Misys Healthcare Solutions Inc.*	7,992
153,622	SXC Health Solutions Corporation (CAN)*	9,698
		<u>17,690</u>
HOTELS, RESTAURANTS & LEISURE—3.9%		
71,619	Cheesecake Factory Inc.*	2,065
1,471,076	Domino's Pizza UK & IRL plc (UK)	12,122
212,900	Marriott International Inc.	6,919
567,000	MGM Mirage Inc.*	8,567
		<u>29,673</u>
HOUSEHOLD DURABLES—2.8%		
260,070	Jarden Corporation	8,060
183,464	Tempur-Pedic International Inc.*	13,211
		<u>21,271</u>
INTERNET & CATALOG RETAIL—3.5%		
36,065	Netflix Inc.*	9,593
19,040	Priceline.com Inc.*	10,237
129,137	Shutterstock Inc.*	7,025
		<u>26,855</u>
IT SERVICES—3.8%		
197,061	Gartner Inc.*	7,274
337,300	Genpact Ltd.*	5,565
137,600	Teradata Corporation*	7,563
435,000	Western Union Co.	8,443
		<u>28,845</u>
LEISURE EQUIPMENT & PRODUCTS—1.2%		
401,300	Brunswick Corporation	8,760
LIFE SCIENCES TOOLS & SERVICES—2.8%		
328,900	Parexel International Corporation*	6,752
262,000	Pharmaceutical Product Development Inc.	7,553
83,600	Waters Corporation*	7,348
		<u>21,653</u>

COMMON STOCKS—Continued

Shares		Value (000s)
MACHINERY—0.9%		
129,500	Navistar International Corporation*	\$ 6,645
MEDIA—1.0%		
3,470,900	Sirius XM Radio Inc.*	7,324
METALS & MINING—1.2%		
147,100	Detour Gold Corporation (CAN)*	4,580
73,800	Molycorp Inc.*	4,696
		<u>9,276</u>
OIL, GAS & CONSUMABLE FUELS—7.8%		
140,900	Alpha Natural Resources Inc.*	6,018
187,230	Bumi plc (UK)*	3,442
120,590	Cabot Oil & Gas Corporation	8,933
121,600	Cobalt International Energy Inc.*	1,498
143,840	Consol Energy Inc.	7,710
226,864	Karoon Gas Australia Ltd. (AUS)*	1,097
85,200	Pioneer Natural Resources Co.	7,923
159,400	Southwestern Energy Company*	7,103
171,200	Ultra Petroleum Corp.*	8,015
460,589	Vallares plc (UK)*	7,863
		<u>59,602</u>
PHARMACEUTICALS—1.0%		
173,900	Auxilium Pharmaceuticals Inc.*	3,259
107,700	Salix Pharmaceuticals Ltd.*	4,177
		<u>7,436</u>
PROFESSIONAL SERVICES—0.7%		
98,300	Manpower Inc.	4,966
ROAD & RAIL—3.2%		
156,700	Con-way Inc.	5,738
150,100	JB Hunt Transport Services Inc.	6,791
436,900	Localiza Rent A Car Ltd. (BR)	7,082
389,140	Swift Transportation Corporation*	4,413
		<u>24,024</u>
SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT—5.7%		
188,900	Broadcom Corporation*	7,003
88,291	Cavium Inc.*	3,045
181,900	Cree Inc.*	5,977
127,368	Cymer Inc.*	5,608
334,400	Cypress Semiconductors Corporation*	6,882
207,000	NXP Semiconductor NV (NET)*	4,094
429,900	Skyworks Solutions Inc.*	10,881
		<u>43,490</u>
SOFTWARE—6.8%		
171,567	Ariba Inc.*	5,674
156,300	BroadSoft Inc.*	4,565
1,145,500	Cadence Design Systems Inc.*	11,833
96,600	Citrix Systems Inc.*	6,959
162,500	Concur Technologies Inc.*	7,384
16,100	MicroStrategy Inc.*	2,566
133,200	QLIK Technologies Inc.*	4,037
349,500	TIBCO Software Inc.*	9,101
		<u>52,119</u>
SPECIALTY RETAIL—4.4%		
108,600	Abercrombie & Fitch Co.	7,941
409,420	Express Inc.	9,188
98,100	Ross Stores Inc.	7,433
148,140	Ulta Salon, Cosmetics & Fragrance Inc.*	9,337
		<u>33,899</u>

Harbor Mid Cap Growth Fund

PORTFOLIO OF INVESTMENTS—Continued

COMMON STOCKS—Continued

Shares		Value (000s)
TEXTILES, APPAREL & LUXURY GOODS—3.3%		
127,600	Coach Inc.	\$ 8,238
100,900	Columbia Sportswear Company	5,791
366,500	Hanesbrands Inc.*	11,182
		<u>25,211</u>
TRADING COMPANIES & DISTRIBUTORS—1.0%		
334,990	United Rentals Inc.*	7,708
WIRELESS TELECOMMUNICATION SERVICES—0.7%		
348,100	MetroPCS Communications Inc.*	5,667
TOTAL COMMON STOCKS		
	(Cost \$632,949)	<u>734,502</u>

SHORT-TERM INVESTMENTS—5.1%

(Cost \$39,246)

Principal Amount (000s)		Value (000s)
REPURCHASE AGREEMENTS		
	Repurchase Agreement with Bank of America dated July 31, 2011 due August 1, 2011 at 0.110% collateralized by U.S. Treasury Notes (market value \$40,073)	\$ 39,246
\$ 39,246		<u>\$ 39,246</u>
TOTAL INVESTMENTS—101.3%		
	(Cost \$672,195)	<u>773,748</u>
CASH AND OTHER ASSETS, LESS LIABILITIES—(1.3)%		
		<u>(10,297)</u>
TOTAL NET ASSETS—100.0%		
		<u>\$763,451</u>

FAIR VALUE MEASUREMENTS

Repurchase Agreements valued at \$39,246, holdings in the Metals & Mining category valued at \$4,580, and holdings in the Health Care Equipment & Supplies category valued at \$1,322 are classified as Level 2. All other holdings at July 31, 2011 (as disclosed in the preceding Portfolio of Investments) are classified as Level 1. There were no Level 3 holdings at October 31, 2010 or July 31, 2011, and no significant transfers between levels during the period.

For more information on valuation inputs and their aggregation into the levels identified above, please refer to the Fair Value Measurements section in Note 2 of the accompanying Notes to Portfolios of Investments.

* Non-income producing security.

1 ADR after the name of a foreign holding stands for American Depositary Receipts representing ownership of foreign securities. ADRs are issued by U.S. banking institutions.

AUS Australia.

BR Brazil.

CAN Canada.

CHN China.

DEN Denmark.

HK Hong Kong.

NET Netherlands.

UK United Kingdom.

The accompanying notes are an integral part of the Portfolio of Investments.

Harbor Small Cap Growth Fund

PORTFOLIO OF INVESTMENTS—July 31, 2011 (Unaudited)

Equity Holdings (% of net assets)

(Excludes net cash and short-term investments of 3.8%)

Software	8.9
Machinery	8.8
Health Care Equipment & Supplies	8.6
Energy Equipment & Services	7.9
Auto Components	4.9
Chemicals	4.7
Biotechnology	4.6
Aerospace & Defense	4.5
Health Care Providers & Services	4.1
Semiconductors & Semiconductor Equipment	3.9
Road & Rail	3.8
Commercial Services & Supplies	3.7
Diversified Consumer Services	2.9
Professional Services	2.9
Oil, Gas & Consumable Fuels	2.8
Communications Equipment	2.6
Commercial Banks	2.5
Life Sciences Tools & Services	2.3
Specialty Retail	2.0
Consumer Finance	1.3
Internet Software & Services	1.3
IT Services	1.2
Paper & Forest Products	1.1
Trading Companies & Distributors	1.1
Capital Markets	1.0
Real Estate Investment Trusts (REITs)	1.0
Hotels, Restaurants & Leisure	0.9
Automobiles	0.8
Pharmaceuticals	0.1

COMMON STOCKS—Continued

Shares		Value (000s)
BIOTECHNOLOGY—4.6%		
543,615	Amylin Pharmaceuticals Inc.*	\$ 6,475
343,230	Idenix Pharmaceuticals Inc.*	2,293
772,190	Metabolix Inc.*	5,274
178,150	United Therapeutics Corporation*	10,222
		<u>24,264</u>
CAPITAL MARKETS—1.0%		
303,970	FXCM Inc.	3,070
158,260	Noah Holdings Ltd. ADR (CHN)* ¹	2,092
		<u>5,162</u>
CHEMICALS—4.7%		
351,577	Kraton Performance Polymers Inc.*	12,692
552,190	Solutia Inc.*	11,839
		<u>24,531</u>
COMMERCIAL BANKS—2.5%		
327,640	East West Bancorp Inc.	6,081
601,870	Umpqua Holdings Corporation	6,837
		<u>12,918</u>
COMMERCIAL SERVICES & SUPPLIES—3.7%		
548,204	Higher One Holdings Inc.*	10,882
399,990	The GEO Group Inc.*	8,320
		<u>19,202</u>
COMMUNICATIONS EQUIPMENT—2.6%		
210,750	ADTRAN Inc.	6,974
1,260,070	Broadcade Communications Systems Inc.*	6,905
		<u>13,879</u>
CONSUMER FINANCE—1.3%		
316,089	Dollar Financial Corp.*	6,831
DIVERSIFIED CONSUMER SERVICES—2.9%		
1,568,313	Stewart Enterprises Inc.	10,900
509,610	Xueda Education Group ADR (CHN)* ¹	4,525
		<u>15,425</u>
ENERGY EQUIPMENT & SERVICES—7.9%		
456,240	Exterran Holdings Inc.*	8,431
91,510	Oil States International Inc.*	7,385
267,300	Rowan Companies Inc.*	10,470
373,310	Superior Energy Services Inc.*	15,489
		<u>41,775</u>
HEALTH CARE EQUIPMENT & SUPPLIES—8.6%		
382,465	Arthrocare Corporation*	12,641
309,337	Immucor Inc.*	8,197
370,640	Masimo Corporation	10,296
229,967	Orthofix International NV (NET)*	9,712
309,140	Quidel Corporation*	4,625
		<u>45,471</u>
HEALTH CARE PROVIDERS & SERVICES—4.1%		
184,360	Mednax Inc.*	12,566
400,804	Team Health Holdings Inc.*	8,822
		<u>21,388</u>
HOTELS, RESTAURANTS & LEISURE—0.9%		
169,273	Cheesecake Factory Inc.*	4,880
INTERNET SOFTWARE & SERVICES—1.3%		
275,875	Digital River Inc.*	7,035

COMMON STOCKS—96.2%

Shares		Value (000s)
AEROSPACE & DEFENSE—4.5%		
523,210	Hexcel Corporation*	\$ 12,526
211,410	Triumph Group Inc.	11,382
		<u>23,908</u>
AUTO COMPONENTS—4.9%		
546,718	Cooper Tire & Rubber Co.	9,218
411,451	Tenneco Inc.*	16,433
		<u>25,651</u>
AUTOMOBILES—0.8%		
142,180	Tesla Motors Inc.*	4,005

Harbor Small Cap Growth Fund

PORTFOLIO OF INVESTMENTS—Continued

COMMON STOCKS—Continued

Shares		Value (000s)
IT SERVICES—1.2%		
463,040	Acxiom Corporation*	\$ 6,362
LIFE SCIENCES TOOLS & SERVICES—2.3%		
541,690	ICON plc ADR (IE)* ¹	12,096
MACHINERY—8.8%		
189,825	CLARCOR Inc.	8,364
425,639	Colfax Corporation*	11,522
100,977	Gardner Denver Inc.	8,612
371,535	Titan International Inc.	9,389
132,315	WABCO Holdings Inc.*	8,342
		46,229
OIL, GAS & CONSUMABLE FUELS—2.8%		
149,482	Alpha Natural Resources Inc.*	6,384
111,695	HollyFrontier Corp.	8,421
		14,805
PAPER & FOREST PRODUCTS—1.1%		
383,210	KapStone Paper and Packaging Corporation*	5,974
PHARMACEUTICALS—0.1%		
166,620	Santarus Inc.*	543
PROFESSIONAL SERVICES—2.9%		
149,492	Corporate Executive Board Co.	6,077
291,030	Huron Consulting Group Inc.*	9,420
		15,497
REAL ESTATE INVESTMENT TRUSTS (REITs)—1.0%		
202,285	LaSalle Hotel Properties	5,059
ROAD & RAIL—3.8%		
868,580	Avis Budget Group Inc.*	13,124
460,085	Heartland Express Inc.	7,049
		20,173
SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT—3.9%		
416,919	ATMI Inc.*	7,775
225,895	Cavium Inc.*	7,791
622,850	TriQuint Semiconductor Inc.*	4,684
		20,250

COMMON STOCKS—Continued

Shares		Value (000s)
SOFTWARE—8.9%		
834,556	Cadence Design Systems Inc.*	\$ 8,621
481,520	Fortinet Inc.*	9,784
454,885	Net 1 UEPS Technologies Inc. (S. AFR)*	3,589
239,810	QLIK Technologies Inc.*	7,269
351,867	SolarWinds Inc.*	7,569
304,706	Taleo Corporation*	10,086
		46,918
SPECIALTY RETAIL—2.0%		
458,310	Express Inc.	10,284
TRADING COMPANIES & DISTRIBUTORS—1.1%		
99,645	Watsco Inc.	5,897
TOTAL COMMON STOCKS		
	(Cost \$434,388)	506,412

SHORT-TERM INVESTMENTS—3.7%

	(Cost \$19,405)	
Principal Amount (000s)		
REPURCHASE AGREEMENTS		
	Repurchase Agreement with State Street Corporation dated July 29, 2011 due August 1, 2011 at 0.010% collateralized by Federal Home Loan Banks	
\$ 19,405	(market value \$19,795)	19,405
TOTAL INVESTMENTS—99.9%		
	(Cost \$453,793)	525,817
CASH AND OTHER ASSETS, LESS LIABILITIES—0.1%		
		302
TOTAL NET ASSETS—100.0%		
		\$526,119

FAIR VALUE MEASUREMENTS

Repurchase Agreements valued at \$19,405 are classified as Level 2. All other holdings at July 31, 2011 (as disclosed in the preceding Portfolio of Investments) are classified as Level 1. There were no Level 3 holdings at October 31, 2010 or July 31, 2011, and no significant transfers between levels during the period.

For more information on valuation inputs and their aggregation into the levels identified above, please refer to the Fair Value Measurements section in Note 2 of the accompanying Notes to Portfolios of Investments

* Non-income producing security.

1 ADR after the name of a foreign holding stands for American Depositary Receipts representing ownership of foreign securities. ADRs are issued by U.S. banking institutions.

CHN China.

IE Ireland.

NET Netherlands.

S. AFR South Africa.

The accompanying notes are an integral part of the Portfolio of Investments.

Harbor Large Cap Value Fund

PORTFOLIO OF INVESTMENTS—July 31, 2011 (Unaudited)

Equity Holdings (% of net assets)

(Excludes net cash and short-term investments of 4.7%)

Oil, Gas & Consumable Fuels	11.8
Pharmaceuticals	8.1
Diversified Financial Services	5.0
Insurance	4.8
Commercial Banks	4.1
Capital Markets	3.8
Multi-Utilities	3.7
Software	3.5
Food & Staples Retailing	3.3
Health Care Providers & Services	3.2
Hotels, Restaurants & Leisure	2.7
Industrial Conglomerates	2.7
Media	2.5
Aerospace & Defense	2.4
Real Estate Investment Trusts (REITs)	2.3
IT Services	2.2
Wireless Telecommunication Services	2.2
Chemicals	2.0
Household Products	2.0
Diversified Telecommunication Services	1.9
Communications Equipment	1.7
Specialty Retail	1.6
Electric Utilities	1.5
Energy Equipment & Services	1.5
Health Care Equipment & Supplies	1.5
Consumer Finance	1.4
Electronic Equipment, Instruments & Components	1.4
Tobacco	1.3
Air Freight & Logistics	1.1
Auto Components	1.0
Food Products	1.0
Metals & Mining	1.0
Multiline Retail	1.0
Road & Rail	0.7
Trading Companies & Distributors	0.6
Beverages	0.5
Biotechnology	0.5
Machinery	0.5
Textiles, Apparel & Luxury Goods	0.5
Commercial Services & Supplies	0.4
Semiconductors & Semiconductor Equipment	0.4

COMMON STOCKS—95.3%

Shares		Value (000s)
AEROSPACE & DEFENSE—2.4%		
45,900	General Dynamics Corporation	\$ 3,128
19,300	L-3 Communications Holdings Inc.	1,527
39,300	Lockheed Martin Corporation	2,976
		<u>7,631</u>
AIR FREIGHT & LOGISTICS—1.1%		
48,300	United Parcel Service Inc.	3,343
AUTO COMPONENTS—1.0%		
82,900	Johnson Controls Inc.	3,063
BEVERAGES—0.5%		
22,900	PepsiCo Inc.	1,466
BIOTECHNOLOGY—0.5%		
30,900	Amgen Inc.*	1,690
CAPITAL MARKETS—3.8%		
128,600	Bank of New York Mellon Corporation	3,229
36,700	Franklin Resources Inc.	4,660
31,000	Goldman Sachs Group Inc.	4,184
		<u>12,073</u>
CHEMICALS—2.0%		
87,600	Dow Chemical Co.	3,055
10,669	Syngenta AG (SWS)*	3,429
		<u>6,484</u>
COMMERCIAL BANKS—4.1%		
96,200	Comerica Inc.	3,081
19,300	Toronto - Dominion Bank Group Inc. (CAN)	1,542
199,000	U.S. Bancorp.	5,186
120,000	Wells Fargo & Company	3,353
		<u>13,162</u>
COMMERCIAL SERVICES & SUPPLIES—0.4%		
43,300	Waste Management Inc.	1,364
COMMUNICATIONS EQUIPMENT—1.7%		
99,600	Qualcomm Inc.	5,456
CONSUMER FINANCE—1.4%		
91,900	American Express Co.	4,599
DIVERSIFIED FINANCIAL SERVICES—5.0%		
306,400	Bank of America Corporation	2,975
80,900	Citigroup Inc.	3,102
245,800	JP Morgan Chase & Co.	9,942
		<u>16,019</u>
DIVERSIFIED TELECOMMUNICATION SERVICES—1.9%		
207,500	AT&T Inc.	6,071
ELECTRIC UTILITIES—1.5%		
84,200	NextEra Energy Inc.	4,652
ELECTRONIC EQUIPMENT, INSTRUMENTS & COMPONENTS—1.4%		
270,500	Corning Inc.	4,304
ENERGY EQUIPMENT & SERVICES—1.5%		
53,600	Halliburton Co.	2,933
18,500	Schlumberger Ltd.	1,672
		<u>4,605</u>
FOOD & STAPLES RETAILING—3.3%		
43,500	Costco Wholesale Corporation	3,404
170,600	CVS/Caremark Corporation	6,201
17,600	Wal-Mart Stores Inc.	928
		<u>10,533</u>

Harbor Large Cap Value Fund

PORTFOLIO OF INVESTMENTS—Continued

COMMON STOCKS—Continued		Value (000s)	COMMON STOCKS—Continued		Value (000s)
Shares			Shares		
FOOD PRODUCTS—1.0%			REAL ESTATE INVESTMENT TRUSTS (REITs)—2.3%		
100,100	Archer Daniels Midland Company	\$ 3,041	53,900	Equity Residential	\$ 3,332
HEALTH CARE EQUIPMENT & SUPPLIES—1.5%			19,400	Simon Property Group Inc.	2,338
95,400	Covidien plc	4,845	32,500	Ventas Inc.	1,759
HEALTH CARE PROVIDERS & SERVICES—3.2%					7,429
87,500	Patterson Companies Inc.	2,698	ROAD & RAIL—0.7%		
149,900	UnitedHealth Group Inc.	7,440	29,800	Norfolk Southern Corporation	2,256
		10,138	SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT—0.4%		
HOTELS, RESTAURANTS & LEISURE—2.7%			42,300	Avago Technologies Ltd. (SGP)	1,423
42,200	Carnival Corp.	1,405	SOFTWARE—3.5%		
63,900	McDonald's Corporation	5,526	41,400	Microsoft Corporation	1,134
35,600	Tim Hortons Inc. (CAN)	1,709	198,900	Oracle Corp.	6,082
		8,640	203,500	Symantec Corp.*	3,879
HOUSEHOLD PRODUCTS—2.0%					11,095
102,400	Procter & Gamble Company	6,297	SPECIALTY RETAIL—1.6%		
INDUSTRIAL CONGLOMERATES—2.7%			51,100	Hennes & Mauritz AB (SW)	1,747
474,700	General Electric Co.	8,502	42,300	Ross Stores Inc.	3,205
INSURANCE—4.8%					4,952
63,100	Chubb Corporation	3,942	TEXTILES, APPAREL & LUXURY GOODS—0.5%		
99,000	HCC Insurance Holdings Inc.	2,983	17,200	Nike Inc.	1,551
141,800	Prudential Financial Inc.	8,321	TOBACCO—1.3%		
		15,246	57,200	Philip Morris International Inc.	4,071
IT SERVICES—2.2%			TRADING COMPANIES & DISTRIBUTORS—0.6%		
82,000	VISA Inc.	7,014	63,345	Finning International Inc. (CAN)	1,817
MACHINERY—0.5%			WIRELESS TELECOMMUNICATION SERVICES—2.2%		
33,100	Eaton Corporation	1,587	58,200	China Mobile Ltd. ADR (CHN) ¹	2,900
MEDIA—2.5%			1,488,700	Vodafone Group plc (UK)	4,203
25,500	Time Warner Cable Inc.	1,869			7,103
157,900	Walt Disney Company	6,098	TOTAL COMMON STOCKS		
		7,967	(Cost \$272,302)		302,714
METALS & MINING—1.0%			SHORT-TERM INVESTMENTS—2.0%		
34,700	BHP Billiton Ltd. (AUS)	1,579	(Cost \$6,432)		
30,000	Newmont Mining Corporation	1,668	Principal Amount (000s)		
		3,247	REPURCHASE AGREEMENTS		
MULTI-UTILITIES—3.7%			Repurchase Agreement with State Street Corporation dated July 29, 2011 due August 1, 2011 at 0.010% collateralized by Federal Home Loan Banks		
124,700	PG&E Corporation	5,166	\$ 6,432	(market value \$6,561)	6,432
20,200	Sempra Energy	1,024	TOTAL INVESTMENTS—97.3%		
176,400	Wisconsin Energy Corp.	5,407	(Cost \$278,734)		309,146
		11,597	CASH AND OTHER ASSETS, LESS LIABILITIES—2.7%		8,715
MULTILINE RETAIL—1.0%			TOTAL NET ASSETS—100.0%		\$317,861
62,100	Nordstrom Inc.	3,115			
OIL, GAS & CONSUMABLE FUELS—11.8%					
39,100	Apache Corporation	4,837			
101,700	Chevron Corporation	10,579			
40,300	Devon Energy Corporation	3,172			
111,800	Exxon Mobil Corporation	8,921			
40,350	Marathon Petroleum Corporation*	1,767			
67,600	Occidental Petroleum Corporation	6,637			
26,000	Peabody Energy Corp.	1,494			
		37,407			
PHARMACEUTICALS—8.1%					
120,400	Abbott Laboratories	6,179			
75,000	Johnson & Johnson	4,859			
181,000	Merck & Co. Inc.	6,177			
287,300	Pfizer Inc.	5,528			
66,800	Teva Pharmaceutical Industries Ltd. ADR (IL) ¹	3,116			
		25,859			

Harbor Large Cap Value Fund

PORTFOLIO OF INVESTMENTS—Continued

FAIR VALUE MEASUREMENTS

Repurchase Agreements valued at \$6,432 are classified as Level 2. All other holdings at July 31, 2011 (as disclosed in the preceding Portfolio of Investments) are classified as Level 1. There were no Level 3 holdings at October 31, 2010 or July 31, 2011, and no significant transfers between levels during the period.

For more information on valuation inputs and their aggregation into the levels identified above, please refer to the Fair Value Measurements section in Note 2 of the accompanying Notes to Portfolios of Investments.

* Non-income producing security.

1 ADR after the name of a foreign holding stands for American Depositary Receipts representing ownership of foreign securities. ADRs are issued by U.S. banking institutions.

AUS Australia.

CAN Canada.

CHN China.

IL Israel.

SGP Singapore.

SW Sweden.

SWS Switzerland.

UK United Kingdom.

The accompanying notes are an integral part of the Portfolio of Investments.

Harbor Mid Cap Value Fund

PORTFOLIO OF INVESTMENTS—July 31, 2011 (Unaudited)

Equity Holdings (% of net assets)

(Excludes net cash and short-term investments of 1.6%)

Insurance	11.5
Oil, Gas & Consumable Fuels	7.8
Real Estate Investment Trusts (REITs)	6.4
Electric Utilities	4.6
Commercial Banks	4.3
Health Care Providers & Services	4.1
Chemicals	3.6
Food Products	3.5
Specialty Retail	3.4
Multi-Utilities	2.9
Pharmaceuticals	2.8
Aerospace & Defense	2.7
Household Durables	2.7
Machinery	2.7
Multiline Retail	2.7
Electronic Equipment, Instruments & Components	2.6
Semiconductors & Semiconductor Equipment	2.6
Auto Components	2.4
Energy Equipment & Services	2.4
Capital Markets	2.2
Computers & Peripherals	2.2
Paper & Forest Products	2.0
Health Care Equipment & Supplies	1.9
Food & Staples Retailing	1.8
IT Services	1.6
Media	1.5
Construction & Engineering	1.3
Containers & Packaging	1.3
Commercial Services & Supplies	1.0
Hotels, Restaurants & Leisure	1.0
Office Electronics	1.0
Communications Equipment	0.9
Biotechnology	0.6
Gas Utilities	0.6
Metals & Mining	0.5
Consumer Finance	0.4
Independent Power Producers & Energy Traders	0.3
Tobacco	0.3
Textiles, Apparel & Luxury Goods	0.2
Thrifts & Mortgage Finance	0.1

COMMON STOCKS—98.4%

Shares		Value (000s)
AEROSPACE & DEFENSE—2.7%		
6,700	ITT Corporation	\$ 358
12,700	L-3 Communications Holdings Inc.	1,005
11,700	Raytheon Co.	523
		<u>1,886</u>
AUTO COMPONENTS—2.4%		
12,800	Autoliv Inc.	847
16,800	TRW Automotive Holdings Corporation*	848
		<u>1,695</u>
BIOTECHNOLOGY—0.6%		
5,200	Cephalon Inc.*	416
CAPITAL MARKETS—2.2%		
17,700	Ameriprise Financial Inc.	957
13,400	State Street Corporation	556
		<u>1,513</u>
CHEMICALS—3.6%		
12,300	Arch Chemicals Inc.	579
11,100	Ashland Inc.	680
8,900	Eastman Chemical Company	860
5,300	Stepan Company	420
		<u>2,539</u>
COMMERCIAL BANKS—4.3%		
27,100	Banco Latinoamericano de Comercio Exterior SA (PA)	479
17,900	East West Bancorp Inc.	332
18,900	F.N.B. Corporation	189
56,700	Fifth Third Bancorp.	717
99,700	KeyCorp.	802
4,800	PNC Financial Services Group Inc.	261
36,000	Regions Financial Corporation	219
		<u>2,999</u>
COMMERCIAL SERVICES & SUPPLIES—1.0%		
36,000	R.R. Donnelley & Sons Company	677
COMMUNICATIONS EQUIPMENT—0.9%		
15,500	Harris Corporation	618
COMPUTERS & PERIPHERALS—2.2%		
16,100	Lexmark International Inc.*	540
39,100	Seagate Technology plc (IE)	543
12,900	Western Digital Corporation*	445
		<u>1,528</u>
CONSTRUCTION & ENGINEERING—1.3%		
16,500	Tutor Perini Corporation	260
16,300	URS Corporation*	666
		<u>926</u>
CONSUMER FINANCE—0.4%		
13,700	Nelnet Inc.	276
CONTAINERS & PACKAGING—1.3%		
40,600	Boise Inc.	281
7,100	Owens-Illinois Inc.*	165
7,800	Rock-Tenn Company	479
		<u>925</u>
ELECTRIC UTILITIES—4.6%		
27,700	American Electric Power Company Inc.	1,021
14,500	El Paso Electric Co.	485
11,100	Entergy Corporation	741
10,000	Pinnacle West Capital Corporation	424
22,700	Portland General Electric Company	563
		<u>3,234</u>

Harbor Mid Cap Value Fund

PORTFOLIO OF INVESTMENTS—Continued

COMMON STOCKS—Continued

Shares		Value (000s)
ELECTRONIC EQUIPMENT, INSTRUMENTS & COMPONENTS—2.6%		
17,400	Benchmark Electronics Inc.*	\$ 255
22,600	Ingram Micro Inc.*	419
23,700	TE Connectivity Ltd. (SWS)	816
23,300	Vishay Intertechnology Inc.*	321
		<u>1,811</u>
ENERGY EQUIPMENT & SERVICES—2.4%		
14,600	Atwood Oceanics Inc.*	682
15,700	Complete Production Services Inc.*	610
10,700	Noble Corporation (SWS)*	395
		<u>1,687</u>
FOOD & STAPLES RETAILING—1.8%		
44,800	Safeway Inc.	903
41,600	SUPERVALU Inc.	358
		<u>1,261</u>
FOOD PRODUCTS—3.5%		
26,500	Archer Daniels Midland Company	805
4,000	Bunge Ltd. (BM)	276
20,000	Chiquita Brands International Inc.*	237
29,800	ConAgra Foods Inc.	763
14,900	Fresh Del Monte Produce Inc.	365
		<u>2,446</u>
GAS UTILITIES—0.6%		
13,400	Atmos Energy Corporation	448
HEALTH CARE EQUIPMENT & SUPPLIES—1.9%		
9,400	Kinetic Concepts Inc.*	629
11,700	Zimmer Holdings Inc.*	702
		<u>1,331</u>
HEALTH CARE PROVIDERS & SERVICES—4.1%		
24,100	Aetna Inc.	1,000
6,900	CIGNA Corporation	344
16,000	Coventry Health Care Inc.*	512
16,300	Health Net Inc.*	458
28,200	Kindred Healthcare Inc.*	531
		<u>2,845</u>
HOTELS, RESTAURANTS & LEISURE—1.0%		
15,300	Brinker International Inc.	367
38,700	Ruby Tuesday Inc.*	352
		<u>719</u>
HOUSEHOLD DURABLES—2.7%		
15,500	American Greetings Corporation	344
5,775	Blyth Inc.	365
34,400	Newell Rubbermaid Inc.	534
9,100	Whirlpool Corporation	630
		<u>1,873</u>
INDEPENDENT POWER PRODUCERS & ENERGY TRADERS—0.3%		
54,999	GenOn Energy Inc.*	214
INSURANCE—11.5%		
7,400	Aflac Inc.	341
4,900	Allied World Assurance Co Holdings Ltd.	267
15,300	Allstate Corporation	424
30,500	American Equity Investment Life Holding Company	362
16,600	American Financial Group Inc.	564
21,800	Aspen Insurance Holdings Ltd. (BM)	565
10,500	Chubb Corporation	656
18,700	Delphi Financial Group Inc.	503
7,500	Endurance Specialty Holdings Ltd. (BM)	305
5,700	Everest Re Group Ltd.	468

COMMON STOCKS—Continued

Shares		Value (000s)
INSURANCE—Continued		
26,700	Hartford Financial Services Group Inc.	\$ 625
17,300	Horace Mann Educators Corporation	252
12,400	Lincoln National Corporation	329
4,900	PartnerRE Ltd. (BM)	327
18,100	Protective Life Corporation	385
5,800	StanCorp Financial Group Inc.	193
24,000	Tower Group Inc.	549
17,100	Unum Group	417
17,400	Validus Holdings Ltd. (BM)	463
		<u>7,995</u>
IT SERVICES—1.6%		
15,500	Computer Sciences Corporation	547
44,800	Convergys Corporation*	557
		<u>1,104</u>
MACHINERY—2.7%		
15,100	AGCO Corp.*	716
16,500	EnPro Industries Inc.*	763
9,800	Timken Company	428
		<u>1,907</u>
MEDIA—1.5%		
14,400	Dish Network Corporation*	427
27,800	Gannett Inc.	355
48,300	Journal Communications Inc.*	239
		<u>1,021</u>
METALS & MINING—0.5%		
4,100	Cliffs Natural Resources Inc.	368
MULTI-UTILITIES—2.9%		
45,800	CMS Energy Corporation	877
10,500	DTE Energy Co.	523
19,700	Public Service Enterprise Group Inc.	645
		<u>2,045</u>
MULTILINE RETAIL—2.7%		
17,200	Dillard's Inc.	968
31,400	Macy's Inc.	906
		<u>1,874</u>
OFFICE ELECTRONICS—1.0%		
71,500	Xerox Corporation	667
OIL, GAS & CONSUMABLE FUELS—7.8%		
12,300	Hess Corp.	843
16,800	Murphy Oil Corporation	1,079
10,300	Overseas Shipholding Group Inc.	251
13,200	Southern Union Company	568
18,300	Tesoro Petroleum Corporation*	444
57,200	USEC Inc.*	195
49,200	Valero Energy plc	1,236
31,600	W&T Offshore Inc.	856
		<u>5,472</u>
PAPER & FOREST PRODUCTS—2.0%		
6,700	Domtar Corporation	536
29,500	International Paper Co.	876
		<u>1,412</u>
PHARMACEUTICALS—2.8%		
16,300	Endo Pharmaceuticals Holdings Inc.*	607
10,300	Forest Laboratories Inc.*	382
14,100	Medicines Company*	211
12,300	Mylan Inc.*	280
14,200	Par Pharmaceutical Companies Inc.*	460
		<u>1,940</u>

Harbor Mid Cap Value Fund

PORTFOLIO OF INVESTMENTS—Continued

COMMON STOCKS—Continued		Value (000s)	COMMON STOCKS—Continued		Value (000s)
Shares			Shares		
REAL ESTATE INVESTMENT TRUSTS (REITs)—6.4%			THRIFTS & MORTGAGE FINANCE—0.1%		
34,500	Annaly Capital Management Inc.	\$ 579	12,100	Hudson City Bancorp Inc.	\$ 100
62,000	Brandywine Realty Trust	743	TOBACCO—0.3%		
49,600	CBL & Associates Properties Inc.	881	5,300	Universal Corporation	195
21,950	CommonWealth REIT	519	TOTAL COMMON STOCKS		
36,000	Hospitality Properties Trust	909	(Cost \$68,341)		68,773
62,900	Lexington Realty Trust	528	SHORT-TERM INVESTMENTS—1.3%		
38,800	MFA Financial Inc.	291	(Cost \$893)		
		<u>4,450</u>	Principal Amount (000s)		
SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT—2.6%			REPURCHASE AGREEMENTS		
45,300	Fairchild Semiconductor International Inc.*	680	Repurchase Agreement with State Street Corporation dated July 29, 2011 due August 1, 2011 at 0.010% collateralized by Federal Home Loan Banks (market value \$915)		
8,800	KLA-Tencor Corp.	350	\$ 893		<u>893</u>
37,500	Marvell Technology Group Ltd.*	556	TOTAL INVESTMENTS—99.7%		
33,300	Micron Technology Inc.*	246	(Cost \$69,234)		69,666
		<u>1,832</u>	CASH AND OTHER ASSETS, LESS LIABILITIES—0.3%		
SPECIALTY RETAIL—3.4%					<u>178</u>
20,700	GameStop Corp.*	488	TOTAL NET ASSETS—100.0%		
34,800	Gap Inc.	671			<u>\$69,844</u>
20,500	Radioshack Corporation	285			
27,100	Stage Stores Inc.	483			
8,900	The Children's Place Retail Stores Inc.*	430			
		<u>2,357</u>			
TEXTILES, APPAREL & LUXURY GOODS—0.2%					
12,900	The Jones Group Inc.	167			

FAIR VALUE MEASUREMENTS

Repurchase Agreements valued at \$893 are classified as Level 2. All other holdings at July 31, 2011 (as disclosed in the preceding Portfolio of Investments) are classified as Level 1. There were no Level 3 holdings at October 31, 2010 or July 31, 2011, and no significant transfers between levels during the period.

For more information on valuation inputs and their aggregation into the levels identified above, please refer to the Fair Value Measurements section in Note 2 of the accompanying Notes to Portfolios of Investments.

* Non-income producing security.

BM Bermuda.

IE Ireland.

PA Panama.

SWS Switzerland.

The accompanying notes are an integral part of the Portfolio of Investments.

Harbor Small Cap Value Fund

PORTFOLIO OF INVESTMENTS—July 31, 2011 (Unaudited)

Equity Holdings (% of net assets)

(Excludes net cash and short-term investments of 7.3%)

Energy Equipment & Services	7.6
Aerospace & Defense	6.7
Oil, Gas & Consumable Fuels	6.6
Health Care Providers & Services	6.4
Insurance	6.3
Gas Utilities	6.1
Machinery	5.2
Capital Markets	5.0
Electronic Equipment, Instruments & Components	4.6
Chemicals	3.5
Life Sciences Tools & Services	3.5
Real Estate Investment Trusts (REITs)	3.0
Textiles, Apparel & Luxury Goods	2.8
Consumer Finance	2.6
Household Durables	2.6
IT Services	2.2
Commercial Banks	2.1
Hotels, Restaurants & Leisure	2.0
Specialty Retail	1.8
Communications Equipment	1.6
Construction & Engineering	1.5
Wireless Telecommunication Services	1.4
Internet Software & Services	1.2
Semiconductors & Semiconductor Equipment	1.2
Software	1.2
Thrifts & Mortgage Finance	1.2
Electrical Equipment	1.1
Metals & Mining	0.9
Health Care Equipment & Supplies	0.8

COMMON STOCKS—Continued

Shares		Value (000s)
COMMERCIAL BANKS—2.1%		
324,409	Trustmark Corporation	\$ 7,069
293,000	United Bankshares Inc.	6,991
		<u>14,060</u>
COMMUNICATIONS EQUIPMENT—1.6%		
875,219	Arris Group Inc.*	10,503
CONSTRUCTION & ENGINEERING—1.5%		
240,600	URS Corporation*	9,824
CONSUMER FINANCE—2.6%		
304,369	Cash America International Inc.	17,032
ELECTRICAL EQUIPMENT—1.1%		
102,700	EnerSys*	3,284
86,400	Franklin Electric Co. Inc.	3,772
		<u>7,056</u>
ELECTRONIC EQUIPMENT, INSTRUMENTS & COMPONENTS—4.6%		
433,002	Checkpoint Systems Inc.*	6,798
588,136	FLIR Systems Inc.	16,150
165,167	Itron Inc.*	7,109
		<u>30,057</u>
ENERGY EQUIPMENT & SERVICES—7.6%		
202,449	Bristow Group Inc.	9,815
188,600	Core Laboratories NV	20,497
240,624	Lufkin Industries Inc.	19,606
		<u>49,918</u>
GAS UTILITIES—6.1%		
212,500	Oneok Inc.	15,468
244,369	South Jersey Industries Inc.	12,341
308,537	WGL Holdings Inc.	11,974
		<u>39,783</u>
HEALTH CARE EQUIPMENT & SUPPLIES—0.8%		
197,400	Cantel Medical Corp.	4,921
HEALTH CARE PROVIDERS & SERVICES—6.4%		
237,303	Amedisys Inc.*	6,137
308,500	Amerigroup Corporation*	16,967
362,162	Healthways Inc.*	5,407
198,692	Mednax Inc.*	13,543
		<u>42,054</u>
HOTELS, RESTAURANTS & LEISURE—2.0%		
310,200	Life Time Fitness Inc.*	12,954
HOUSEHOLD DURABLES—2.6%		
331,700	Helen of Troy Ltd.*	10,698
285,000	Meritage Homes Corporation*	6,227
		<u>16,925</u>
INSURANCE—6.3%		
315,547	Delphi Financial Group Inc.	8,495
462,800	Protective Life Corporation	9,839
252,800	Reinsurance Group of America Inc.	14,715
253,600	State Auto Financial Corporation	4,205
236,033	United Fire & Casualty Company	4,048
		<u>41,302</u>
INTERNET SOFTWARE & SERVICES—1.2%		
305,589	Digital River Inc.*	7,793
IT SERVICES—2.2%		
305,300	Global Payments Inc.	14,474

COMMON STOCKS—92.7%

Shares		Value (000s)
AEROSPACE & DEFENSE—6.7%		
318,200	AAR Corp.	\$ 9,336
639,700	Hexcel Corporation*	15,314
239,098	Moog Inc.*	9,791
168,900	Teledyne Technologies Inc.*	9,160
		<u>43,601</u>
CAPITAL MARKETS—5.0%		
365,573	Eaton Vance Corporation	9,805
441,000	Jefferies Group Inc.	8,339
467,568	Raymond James Financial Inc.	14,850
		<u>32,994</u>
CHEMICALS—3.5%		
230,600	Scotts Miracle-Gro Company	11,636
351,300	Valspar Corporation	11,547
		<u>23,183</u>

Harbor Small Cap Value Fund

PORTFOLIO OF INVESTMENTS—Continued

COMMON STOCKS—Continued

Shares		Value (000s)
LIFE SCIENCES TOOLS & SERVICES—3.5%		
179,400	Covance Inc.*	\$ 10,271
439,286	Pharmaceutical Product Development Inc.	12,664
		<u>22,935</u>
MACHINERY—5.2%		
267,900	Harsco Corporation	7,343
192,200	Snap-on Inc.	10,929
355,100	Timken Company	15,507
		<u>33,779</u>
METALS & MINING—0.9%		
192,306	AMCOL International Corporation	5,896
OIL, GAS & CONSUMABLE FUELS—6.6%		
421,300	Cabot Oil & Gas Corporation	31,210
313,594	Swift Energy Company*	11,948
		<u>43,158</u>
REAL ESTATE INVESTMENT TRUSTS (REITs)—3.0%		
533,586	First Potomac Realty Trust	8,334
986,380	Medical Properties Trust Inc.	11,600
		<u>19,934</u>
SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT—1.2%		
203,766	Cabot Microelectronics Corporation*	7,884
SOFTWARE—1.2%		
184,900	Blackboard Inc.*	8,054
SPECIALTY RETAIL—1.8%		
461,500	Aaron's Inc.	11,634

COMMON STOCKS—Continued

Shares		Value (000s)
TEXTILES, APPAREL & LUXURY GOODS—2.8%		
259,500	PVH Corp.	\$ 18,567
THRIFTS & MORTGAGE FINANCE—1.2%		
660,200	Astoria Financial Corporation	7,691
WIRELESS TELECOMMUNICATION SERVICES—1.4%		
237,300	SBA Communications Corporation*	9,058
TOTAL COMMON STOCKS		
	(Cost \$411,348)	<u>607,024</u>

SHORT-TERM INVESTMENTS—7.8%

	(Cost \$51,099)	
Principal Amount (000s)		
REPURCHASE AGREEMENTS		
	Repurchase Agreement with State Street Corporation dated July 29, 2011 due August 1, 2011 at 0.010% collateralized by Federal Home Loan Banks (market value \$52,122)	51,099
\$ 51,099		<u>51,099</u>
TOTAL INVESTMENTS—100.5%		
	(Cost \$462,447)	<u>658,123</u>
CASH AND OTHER ASSETS, LESS LIABILITIES—(0.5)%		
		<u>(3,472)</u>
TOTAL NET ASSETS—100.0%		
		<u>\$654,651</u>

FAIR VALUE MEASUREMENTS

Repurchase Agreements valued at \$51,099 are classified as Level 2. All other holdings at July 31, 2011 (as disclosed in the preceding Portfolio of Investments) are classified as Level 1. There were no Level 3 holdings at October 31, 2010 or July 31, 2011, and no significant transfers between levels during the period.

For more information on valuation inputs and their aggregation into the levels identified above, please refer to the Fair Value Measurements section in Note 2 of the accompanying Notes to Portfolios of Investments.

* Non-income producing security.

Harbor Small Company Value Fund

PORTFOLIO OF INVESTMENTS—July 31, 2011 (Unaudited)

Equity Holdings (% of net assets)

(Excludes net cash and short-term investments of 7.8%)

Commercial Banks	16.9
Insurance	12.8
Household Durables	10.5
Food Products	7.0
Auto Components	6.8
Energy Equipment & Services	6.4
Leisure Equipment & Products	3.8
Consumer Finance	3.3
Road & Rail	3.1
Building Products	2.9
Electric Utilities	2.7
Machinery	2.7
Computers & Peripherals	2.6
Thrifts & Mortgage Finance	2.5
Marine	2.2
Commercial Services & Supplies	1.6
Media	1.4
Textiles, Apparel & Luxury Goods	1.1
Biotechnology	1.0
Specialty Retail	0.9

COMMON STOCKS—Continued

Shares		Value (000s)
COMPUTERS & PERIPHERALS—2.6%		
105,079	ADPT Corporation*	\$ 312
CONSUMER FINANCE—3.3%		
15,413	Discover Financial Services	395
ELECTRIC UTILITIES—2.7%		
13,300	Portland General Electric Company	330
ENERGY EQUIPMENT & SERVICES—6.4%		
8,300	Bristow Group Inc.	402
10,690	Gulf Island Fabrication Inc.	370
		<u>772</u>
FOOD PRODUCTS—7.0%		
24,500	Dean Foods Company*	270
25,963	Smithfield Foods Inc.*	572
		<u>842</u>
HOUSEHOLD DURABLES—10.5%		
16,644	CSS Industries Inc.	330
12,261	Jarden Corporation	380
30,470	M/I Homes Inc.*	345
73,124	Standard Pacific Corporation*	209
		<u>1,264</u>
INSURANCE—12.8%		
31,415	Assured Guaranty Ltd. (BM)	444
28,029	MBIA Inc.*	258
27,080	Old Republic International Corporation	283
25,915	Stewart Information Services Corporation	275
14,025	XL Group plc	288
		<u>1,548</u>
LEISURE EQUIPMENT & PRODUCTS—3.8%		
25,947	Jakks Pacific Inc.*	453
MACHINERY—2.7%		
19,417	Blount International Inc.*	323
MARINE—2.2%		
5,614	Alexander & Baldwin Inc.	271
MEDIA—1.4%		
21,300	Harte Hanks Inc.	174
PROFESSIONAL SERVICES—0.0%		
287	Navigant Consulting Inc.*	3
ROAD & RAIL—3.1%		
15,584	Arkansas Best Corporation	375
SPECIALTY RETAIL—0.9%		
11,995	MarineMax Inc.*	110
TEXTILES, APPAREL & LUXURY GOODS—1.1%		
12,049	K-Swiss Inc.*	128
THRIFTS & MORTGAGE FINANCE—2.5%		
17,740	Washington Federal Inc.	300
TOTAL COMMON STOCKS		
	(Cost \$11,207)	<u>11,115</u>

COMMON STOCKS—92.2%

Shares		Value (000s)
AUTO COMPONENTS—6.8%		
34,625	American Axle & Manufacturing Holdings Inc.*	\$ 397
8,600	Lear Corporation	421
		<u>818</u>
BIOTECHNOLOGY—1.0%		
61,600	Nabi Biopharmaceuticals—on loan*	121
BUILDING PRODUCTS—2.9%		
21,275	American Woodmark Corporation	354
COMMERCIAL BANKS—16.9%		
23,740	Associated Banc-Corp.	324
— ^a	Bank of Montreal (CAN)	—
5,605	City National Corporation	301
7,973	Comerica Inc.	255
23,050	Fulton Financial Corporation	234
31,064	KeyCorp.	250
398	PNC Financial Services Group Inc.	22
51,350	Popular Inc.*	123
39,570	Regions Financial Corporation	241
2,060	Suntrust Bank Inc.	50
31,318	Susquehanna Bancshares Inc.	236
		<u>2,036</u>
COMMERCIAL SERVICES & SUPPLIES—1.6%		
8,992	Viad Corp.	186

Harbor Small Company Value Fund

PORTFOLIO OF INVESTMENTS—Continued

SHORT-TERM INVESTMENTS—8.3%

(Cost \$999)

Principal Amount (000s)	Value (000s)
REPURCHASE AGREEMENTS	
	Repurchase Agreement with State Street Corporation dated July 29, 2011 due August 1, 2011 at 0.010% collateralized by Federal Home Loan Banks
\$ 999	(market value \$1,021) \$ 999
TOTAL INVESTMENTS—100.5%	
(Cost \$12,206)	<u>12,114</u>
CASH AND OTHER ASSETS, LESS LIABILITIES—(0.5)%	<u>(61)</u>
TOTAL NET ASSETS—100.0%	<u>\$12,053</u>

FAIR VALUE MEASUREMENTS

Repurchase Agreements valued at \$999 are classified as Level 2. All other holdings at July 31, 2011 (as disclosed in the preceding Portfolio of Investments) are classified as Level 1. There were no Level 3 holdings at October 31, 2010 or July 31, 2011, and no significant transfers between levels during the period.

For more information on valuation inputs and their aggregation into the levels identified above, please refer to the Fair Value Measurements section in Note 2 of the accompanying Notes to Portfolios of Investments.

- * Non-income producing security.
a Amount held is less than one share.
BM Bermuda.
CAN Canada.

The accompanying notes are an integral part of the Portfolio of Investments.

Harbor Domestic Equity Funds

NOTES TO PORTFOLIOS OF INVESTMENTS—July 31, 2011

(Currency in thousands)

NOTE 1—ORGANIZATIONAL MATTERS

Harbor Funds (the “Trust”) is registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”), as an open-end management investment company. The Trust consists of 30 separate portfolios. The portfolios covered by this report include: Harbor Capital Appreciation Fund, Harbor Mid Cap Growth Fund, Harbor Small Cap Growth Fund, Harbor Large Cap Value Fund, Harbor Mid Cap Value Fund, Harbor Small Cap Value Fund and Harbor Small Company Value Fund (individually or collectively referred to as a “Fund” or the “Funds,” respectively). Harbor Capital Advisors, Inc. (the “Adviser” or “Harbor Capital”) is the investment adviser for the Funds.

The Funds may offer up to three classes of shares, designated as Institutional Class, Administrative Class and Investor Class. The shares of each class represent an interest in the same portfolio of investments of the respective Fund and have equal rights to voting, redemptions, dividends, and liquidations, except that: (i) certain expenses, subject to the approval of the Trust’s Board of Trustees, may be applied differently to each class of shares in accordance with current regulations of the Securities and Exchange Commission and the Internal Revenue Service; and (ii) shareholders of a class that bears distribution and service expenses under terms of a distribution plan have exclusive voting rights as to that distribution plan.

NOTE 2—SIGNIFICANT ACCOUNTING POLICIES

Security Valuation

Equity securities (including common stock, preferred stock, and convertible preferred stock) and financial derivative instruments (such as options contracts) that are traded on a national security exchange (except securities listed on the National Association of Securities Dealers Automated Quotation (“NASDAQ”) system and United Kingdom securities), are valued at the last sale price on a national exchange or system on which they are principally traded as of the valuation date. Securities listed on NASDAQ system or a United Kingdom exchange are valued at the official closing price of those securities. In the case of securities for which there were no sales on the valuation day, (i) securities traded principally on a U.S. exchange, including NASDAQ, will be valued at the mean between the closing bid and ask price; and (ii) securities traded principally on a foreign exchange, including United Kingdom securities, will be valued at the official bid price determined as of the close of the primary exchange. To the extent these securities are actively traded and fair valuation adjustments are not applied, they are normally categorized as Level 1 in the fair value hierarchy. Preferred stock and other equity securities traded on inactive markets or valued by reference to similar instruments are normally categorized as Level 2 in the fair value hierarchy. For more information on the fair value hierarchy, please refer to the Fair Value Measurements and Disclosures section in Note 2.

Short-term securities with a remaining maturity of less than 60 days at the time they are acquired are stated at amortized cost, which approximates fair value. Securities that are valued at amortized cost are normally categorized as Level 2 in the fair value hierarchy.

When reliable market quotations or evaluated prices supplied by a pricing vendor are not readily available or are not believed to accurately reflect fair value, securities are priced at their fair value as determined by the Trust’s Valuation Committee pursuant to procedures adopted by the Board of Trustees. Securities valued using fair value pricing procedures that incorporate significant unobservable inputs are normally categorized in Level 3 of the fair value hierarchy.

A Fund may also use fair value pricing if the value of some or all of the Fund’s securities have been materially affected by events occurring before the Fund’s pricing time but after the close of the primary markets or exchanges on which the security is traded. This most commonly occurs with foreign securities, but may occur with other securities as well. In such cases, the Fund may apply a fair value factor supplied by the pricing service to a foreign security’s market close value to reflect changes in value that may have occurred between the close of the primary market or exchange on which the security is traded and the Fund’s pricing time. That factor may be derived using observable inputs such as a comparison of the trading patterns of a foreign security to intraday trading in the U.S. markets that are highly correlated to the foreign security or other information that became available after the close of the foreign market on which the security principally traded. When fair value pricing is employed, the prices of securities used by a Fund to calculate its net asset value may differ from market quotations, official closing prices or evaluated prices for the same securities, which means that the Fund

Harbor Domestic Equity Funds

NOTES TO PORTFOLIOS OF INVESTMENTS—Continued

(Currency in thousands)

NOTE 2—SIGNIFICANT ACCOUNTING POLICIES—Continued

may value those securities higher or lower than another fund that uses market quotations, official closing prices or evaluated prices supplied by a pricing vendor. Securities valued using observable inputs, such as those described above, are normally categorized as Level 2 in the fair value hierarchy.

Fair Value Measurements and Disclosures

Various inputs may be used to determine the value of each Fund's investments which are summarized in three broad categories defined as Level 1, Level 2 and Level 3. The inputs or methodologies used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The assignment of an investment to Level 1, 2 or 3 is based on the lowest level of significant inputs used to determine its fair value.

Level 1—Quoted prices in active markets for identical securities.

Level 2—Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3—Significant unobservable inputs are used in situations where quoted prices or observable inputs are not available. Valuations based on significant unobservable inputs may include the Funds' own assumptions.

Transfers between levels, if any, are recognized as of the last day in the fiscal quarter of the period in which the event or change in circumstances that caused the reclassification occurred. For fair valuations using significant unobservable inputs, a reconciliation of the beginning to ending balances for reported market values that presents changes attributable to total realized and unrealized gains or losses is provided, including purchases and sales, and transfers in/out of the Level 3 category during the period. A fair value hierarchy, level transfer activity, and a Level 3 reconciliation, when applicable, can be found at the end of each Fund's Portfolio of Investments schedule.

The Funds used observable inputs in their valuation methodologies whenever they were available and deemed reliable.

U.S. Government Securities

Securities issued by U.S. government agencies or government-sponsored enterprises may not be guaranteed by the U.S. Treasury. The Government National Mortgage Association ("GNMA" or "Ginnie Mae"), a wholly owned U.S. government corporation, is authorized to guarantee, with the full faith and credit of the U.S. government, the timely payment of principal and interest on securities issued by institutions approved by GNMA and backed by pools of mortgages insured by the Federal Housing Administration or guaranteed by the Department of Veterans Affairs. Government-related guarantors (i.e., not backed by the full faith and credit of the U.S. government) include the Federal National Mortgage Association ("FNMA" or "Fannie Mae") and the Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac"). On September 7, 2008, the Federal Housing Finance Agency ("FHFA") placed Fannie Mae and Freddie Mac in conservatorship, while the Treasury agreed to purchase preferred stock as needed to ensure that both Fannie Mae and Freddie Mac maintain a positive net worth (guaranteeing up to \$100 billion for each entity). As a consequence, certain fixed income securities of Fannie Mae and Freddie Mac have more explicit U.S. government support.

Foreign Currency Spot Contracts

A foreign currency spot contract is an agreement between two parties to buy and sell currencies at the current market rate for settlement within two business days. During the period, each Fund (except Harbor Small Cap Value Fund and Harbor Small Company Value Fund) used foreign currency spot contracts to facilitate transactions in foreign securities or to convert foreign currency receipts into U.S. dollars.

The foreign currency spot contract is marked-to-market daily for settlements beyond one day, and any change in market value is recorded as an unrealized gain or loss. When the contract is closed, the Fund records a realized gain or loss equal to the difference between the value on the open and close date. Risk of losses may arise from changes in the value of the foreign currency or if the counterparties do not perform under the contract's terms. The maximum potential loss from such contracts is the aggregate face value in U.S. dollars at the time the contract was opened.

Harbor Domestic Equity Funds

NOTES TO PORTFOLIOS OF INVESTMENTS—Continued

(Currency in thousands)

NOTE 2—SIGNIFICANT ACCOUNTING POLICIES—Continued

Foreign Currency Translations

The accounting records of the Funds are maintained in U.S. dollars. Investment securities and other assets and liabilities denominated in a foreign currency are translated into U.S. dollars based on the current exchange rates at period end. Purchases and sales of securities are translated into U.S. dollars at the current exchange rate on the respective dates of the transaction. Income and withholding taxes are translated at the prevailing exchange rate when accrued or incurred.

Reported net realized gains and losses on foreign currency transactions represent net gains and losses from sales and maturities of foreign forward currency contracts, disposition of foreign currencies, currency gains and losses realized between the trade and settlement dates on securities transactions, and the difference between the amount of investment income accrued and tax reclaims receivable and the U.S. dollar amount actually received.

Repurchase Agreements

During the period, each Fund entered into repurchase agreements with domestic or foreign banks or with a member firm of the Financial Industry Regulatory Authority, Inc. (“FINRA”), or an affiliate of a member firm that is a primary dealer in U.S. government securities. Each repurchase agreement counterparty must meet the minimum credit quality requirements applicable to the respective Fund and any other appropriate counterparty criteria as determined by the Fund’s subadviser. The minimum credit quality requirements are those applicable to a Fund’s purchase of securities such that if a Fund is permitted to only purchase securities that are rated investment grade (or the equivalent if unrated), that Fund could only enter into repurchase agreements with counterparties that have debt outstanding that is rated investment grade (or the equivalent if unrated). In a repurchase agreement, a Fund buys a security at one price and simultaneously agrees to sell it back at a higher price. Such agreements must be adequately collateralized to cover the counterparty’s obligation to the Fund to close out the repurchase agreement. The securities are regularly monitored to ensure that the collateral is adequate. In the event of the bankruptcy of the seller or the failure of the seller to repurchase the securities as agreed, the Fund could suffer losses, including loss of interest on or principal of the securities and costs associated with delay and enforcement of the repurchase agreement.

New Accounting Pronouncements

Repurchase Agreements

In April 2011, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2011-03, *A Reconsideration of Effective Control for Repurchase Agreements* (“ASU 2011-03”). Specifically, ASU 2011-03 refers to accounting treatment for repurchase agreements that obligate a transferor to repurchase or redeem financial assets before their maturity. ASU 2011-03 modifies the criteria for determining effective control of the transferred assets and, as a result, certain repurchase agreements may now be required to be accounted for as secured borrowings. ASU 2011-03 will become effective for interim and annual periods beginning after December 15, 2011. Management is evaluating the implications of this pronouncement and the impact it will have on the financial statement amounts and disclosures, if any.

Fair Value Measurements and Disclosures

In May 2011, the FASB issued ASU 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRS* (“ASU 2011-04”) with the goal of convergence with the International Accounting Standards Board guidance on fair value measurements and disclosures. ASU 2011-04 will require additional disclosures and detail about the circumstances surrounding transfers between securities classified as Level 1 and Level 2 and all securities classified as Level 3. ASU 2011-04 will become effective for interim and annual periods beginning after December 15, 2011. Management is evaluating the implications of this pronouncement and the impact it will have on the Funds’ disclosures.

Harbor Domestic Equity Funds

NOTES TO FINANCIAL STATEMENTS—Continued

(Currency in thousands)

NOTE 3—TAX INFORMATION

The identified cost for federal income tax purposes of investments owned by each Fund (including earned discount on corporate short-term notes and commercial paper) and their respective gross unrealized appreciation and depreciation at July 31, 2011 are as follows:

	<u>Identified Cost</u>	<u>Gross Unrealized</u>		<u>Net Unrealized</u>
		<u>Appreciation</u>	<u>(Depreciation)</u>	<u>Appreciation/ (Depreciation)</u>
GROWTH FUNDS				
Harbor Capital Appreciation Fund*	\$8,819,734	\$3,214,596	\$(67,157)	\$3,147,439
Harbor Mid Cap Growth Fund*	672,195	136,291	(34,738)	101,553
Harbor Small Cap Growth Fund	453,793	100,948	(28,924)	72,024
VALUE FUNDS				
Harbor Large Cap Value Fund*	\$ 278,734	\$ 36,081	\$ (5,669)	\$ 30,412
Harbor Mid Cap Value Fund*	69,234	9,445	(9,013)	432
Harbor Small Cap Value Fund*	462,447	220,835	(25,159)	195,676
Harbor Small Company Value Fund	12,206	1,161	(1,253)	(92)

* Capital loss carryforwards are available that may reduce taxable income from future net realized gain on investments.



Harbor Funds

111 South Wacker Drive, 34th Floor | Chicago, IL 60606-4302 | 800-422-1050 | www.harborfunds.com

Trustees & Officers

David G. Van Hooser
Chairman, President & Trustee

Raymond J. Ball
Trustee

Howard P. Colhoun
Trustee Emeritus

Donna J. Dean
Trustee

John P. Gould
Trustee

Randall A. Hack
Trustee

Rodger F. Smith
Trustee

Charles F. McCain
Chief Compliance Officer

Anmarie S. Kolinski
Treasurer

Erik D. Ojala
Vice President & Secretary

Brian L. Collins
Vice President

Charles P. Ragusa
Vice President

Susan A. DeRoche
Assistant Secretary

Investment Adviser

Harbor Capital Advisors, Inc.
111 South Wacker Drive
34th Floor
Chicago, IL 60606-4302
312-443-4400

Distributor & Principal Underwriter

Harbor Funds Distributors, Inc.
111 South Wacker Drive
34th Floor
Chicago, IL 60606-4302
312-443-4600

Shareholder Servicing Agent

Harbor Services Group, Inc.
P.O. Box 804660
Chicago, IL 60680-4108
800-422-1050

Custodian

State Street Bank & Trust Company
State Street Financial Center
1 Lincoln Street
Boston, MA 02111-2900