Harbor Fund Announces Launch of Two New Equity Funds -- Mid Cap Growth and Small Cap Growth

November 1, 2000

TOLEDO, Ohio, Nov. 1 /PRNewswire/ -- Harbor Fund today announced the launch of two new equity funds -- Harbor Mid Cap Growth Fund and Harbor Small Cap Growth Fund. The new funds commence operations on November 1, 2000.

"These new growth funds are valuable additions to the Harbor Fund family," said James M. Williams, Harbor Fund president. "They complement our existing family of mutual funds and demonstrate one of Harbor's fundamental strengths -- the ability to identify investment managers with proven records of outstanding performance."

With these two new funds, Harbor now offers 11 actively managed mutual funds, each providing investors with a different combination of risk and potential return characteristics. The Harbor Fund family now consists of five domestic equity funds, three international equity funds, and three fixed income funds.

Harbor Mid Cap Growth Fund

The Harbor Mid Cap Growth Fund will have an objective of long-term growth of capital by investing in equity securities of companies with market capitalizations in the range of approximately $1 billion to $10 billion at the time of initial investment.

The fund will be managed by William Jeffrey, Kenneth McCain, and David Baratta, of Wall Street Associates, based in La Jolla, Calif. William Jeffrey serves as president and chairman of the board of directors of Wall Street Associates. Kenneth McCain is a member of Wall Street's board of directors. Prior to founding Wall Street Associates in 1987, Mr. Jeffrey and Mr. McCain were employed at California First Capital Management. David Baratta joined the firm in 1999 and was previously employed at Morgan Grenfell.

"At Wall Street Associates, we specialize in stocks in the micro, small cap, and mid cap categories," Mr. Jeffrey said. "This gives us a unique perspective into possible candidates for the Harbor Mid Cap Growth Fund as we follow businesses through their advancement from the IPO stage into strong growth companies."

In selecting stocks for the fund's portfolio, the managers will look for companies with superior earnings growth, a high probability for positive earnings, a strong balance sheet, and an attractive valuation as measured by price/earnings to growth ratio. The fund intends to invest substantially all of its assets in a diversified portfolio of equity securities of about 75 companies.

Harbor Small Cap Growth Fund

The Harbor Small Cap Growth Fund will have an objective of long-term capital growth by investing in equity securities of companies with market capitalizations of approximately $100 million to $1.5 billion at the time of initial investment.

The fund will be managed by William Muggia, senior vice president and a member of the board of directors of Westfield Capital Management Company Inc., of Boston. Prior to joining Westfield in 1994, he served in the Technology Investment Banking Group at Alex Brown & Sons.

"The philosophy of our team at Westfield is that reasonably priced stocks with high earnings potential are best identified through in-depth, fundamental research," Mr. Muggia said. "Furthermore, our experience has shown that the small cap portion of the market is under-researched. This often produces opportunities to find stocks with prices that do not yet reflect their full growth potential."

In selecting stocks for the fund's portfolio, managers will look for companies with superior management, accelerating earnings momentum, strong earnings growth, a strong balance sheet, and attractive valuation as measured by price/earnings to growth ratio. The fund intends to invest substantially all of its assets in a diversified portfolio of equity securities of about 35 to 45 companies.

Harbor Fund

Harbor Fund is a family of 11 actively managed no-load* mutual funds, providing different risk and potential return characteristics. (*Returns are net of management fees and expenses that you may pay if you buy or hold shares of the Fund.) Harbor Fund is distributed through HCA Securities, Inc.

Harbor Capital Advisors, Inc., a registered investment advisor, is advisor to the Harbor Fund. A wholly owned subsidiary of Owens Illinois, Inc., Harbor Capital Advisors manages one of the nation's largest private employee benefit funds.

A prospectus containing more complete information, including expenses, is available by visiting the Harbor Fund web site at www.harborfund.com or by calling Harbor at 1-800-422-1050. Investors should read the prospectus carefully before investing or sending money. Past performance is no guarantee of future returns.
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Web site: http: //www.harborfund.com http://www.O-I.com
Company News On-Call: http: //www.prnewswire.com/comp/117254.html or fax, 800-758-5804, ext. 117254
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