

# **THE HERZFELD CARIBBEAN BASIN FUND, INC.**

## **FOR IMMEDIATE RELEASE**

Miami, Florida  
October 29, 2007

NASDAQ Capital Market: CUBA  
Cusip: 42804T106

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### **The Herzfeld Caribbean Basin Fund, Inc. Announces the Preliminary Results of its Rights Offering**

Miami, FL - The Herzfeld Caribbean Basin Fund (NASDAQ Capital Market: CUBA) (the "Fund") announced today that, according to preliminary results, its one-for-one non-transferable rights offering which expired on October 26, 2007, was fully subscribed. Under the terms of the rights offering, shareholders of record September 26, 2007, were entitled to subscribe for one newly issued common share of the Fund for each right they held. In accordance with the terms of the rights offering, the subscription price of \$10.04 per share represents 85% of the average volume-weighted closing sale price at which the common stock of the Fund traded on the NASDAQ Capital Market on October 26, 2007, and the preceding four trading days.

Shareholders who exercised their full primary subscription rights were eligible for an over-subscription privilege entitling them to subscribe for additional shares, subject to certain limitations and a pro-rata allotment.

Thomas J. Herzfeld, the Fund's Chairman, commented, "The subject of closed-end fund rights offerings is complicated. We are very pleased not only that this offering was so well received, but that it was completed at a price which was accretive to the Fund's net asset value per share. We would like to thank our shareholders for their support. Also, we would like to thank all of the brokers and financial advisers who assisted our shareholders through the offering process."

The Herzfeld Caribbean Basin Fund, Inc. is a closed-end fund managed by HERZFELD/CUBA, a division of Thomas J. Herzfeld Advisors, Inc. The Fund seeks long-term capital appreciation. To achieve its objective the Fund invests in issuers that are likely, in the Advisor's view, to benefit from economic, political, structural and technological developments in the countries in the Caribbean Basin, which the Fund considers to include Cuba, Jamaica, Trinidad and Tobago, the Bahamas, the Dominican Republic, Barbados, Aruba, Haiti, the Netherlands Antilles, the Commonwealth of Puerto Rico, Mexico, Honduras, Guatemala, Belize, Costa Rica, Panama, Colombia, Venezuela and the United States. There can be no assurance that this objective will be met.

Thomas J. Herzfeld Advisors, Inc. specializes in the field of closed-end funds. Information about the advisor and the Fund can be found at [www.herzfeld.com](http://www.herzfeld.com). Information about research published by Thomas J. Herzfeld Advisors, Inc. is available at [www.herzfeldresearch.com](http://www.herzfeldresearch.com).

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities to be offered in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

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