

THE HERZFELD CARIBBEAN BASIN FUND, INC.

FOR IMMEDIATE RELEASE

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NASDAQ Capital Market: CUBA
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Thomas J. Herzfeld Advisors, Inc.
PO Box 161465
Miami, FL 33116
www.herzfeld.com

The Herzfeld Caribbean Basin Fund, Inc. Announces the Final Results of its Non-Transferable Rights Offering

Miami, FL - The Herzfeld Caribbean Basin Fund (NASDAQ Capital Market: CUBA) (the "Fund") is pleased to announce that its recently completed one-for-one, non-transferable rights offering was over-subscribed, raising approximately \$18 million after deduction for expenses related to the offering. The Fund will issue 1,812,392 shares at a final subscription price of \$10.04 per share which represents 85% of the average volume-weighted closing sale price at which shares of the Fund traded on the NASDAQ Capital Market on the expiration date of 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. Under terms detailed in the prospectus for the offering, the Fund has the latitude to issue additional shares to fill such over-subscription requests by up to 100% of the shares offered. Using a portion of that option, all over-subscription requests will be honored in full.

Estimated subscription payments in excess of the final subscription price will be returned to shareholders in approximately a week when the new shares are issued.

The Fund would like to thank all of its shareholders for their strong support of the offering.

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. Information about research published by Thomas J. Herzfeld Advisors, Inc. is available at 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.

For further information contact:

Cecilia L. Gondor
305-271-1900