

THE HERZFELD CARIBBEAN BASIN FUND, INC.

FOR IMMEDIATE RELEASE

Miami Beach, Florida
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NASDAQ Capital Market: CUBA
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The Herzfeld Caribbean Basin Fund, Inc. Announces Results of Heavily Oversubscribed Rights Offering

Miami Beach, FL - The Herzfeld Caribbean Basin Fund, Inc. (NASDAQ: CUBA) (the "Fund") is pleased to announce the completion and success of its one-for-three non-transferable rights offering which expired on December 4, 2014, in which more than 1.8 million shares of common stock will be issued, totaling approximately \$12.1 million. Under the terms of the rights offering, shareholders of record October 9, 2014, were entitled to subscribe for one newly issued common share of the Fund for every three rights they held. In accordance with the terms of the rights offering, the subscription price of \$6.77 per share represents 95% of the average volume-weighted closing sale price at which the common stock of the Fund traded on the NASDAQ Capital Market on December 4, 2014, and the preceding four trading days. The Offer expired at 5:00 PM Eastern Time on December 4, 2014.

Preliminary results received from the Fund's subscription agent indicate that the Fund received total subscriptions of approximately \$26.5 million (including over-subscription requests and notices of guaranteed delivery) for approximately 312% of the 1,237,690 shares available to be issued pursuant to the primary subscription. Under the terms detailed in the prospectus for the rights offering, 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, including any primary shares not otherwise subscribed and additional shares of up to 50% of the primary shares offered. Over-subscription requests will be allocated pro-rata among those record date stockholders who over-subscribed based on the number of rights originally issued to them by the Fund.

The Fund would like to thank its shareholders for their participation in this very successful rights offering.

This press release is not an offer to sell these securities and the Fund is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted. The Offer will be made only by means of a prospectus. A registration statement with respect to the rights and the shares of common stock to be issued upon exercise of the rights

has been filed with the Securities and Exchange Commission and has been declared effective.

For additional information on the Fund or the Rights Offering, or to obtain a Prospectus, please contact the Fund at 800-TJH-FUND or visit us on the web at www.herzfeld.com/cuba.

The Fund is a non-diversified, closed-end fund managed by HERZFELD/CUBA, a division of Thomas J. Herzfeld Advisors, Inc. (based in Miami Beach). 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 countries in the Caribbean Basin, which the Fund considers to consist of 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 (Caribbean Basin Countries).

Investments in the Fund involve risks. Investing in companies of Caribbean Basin Countries may present certain unique risks not associated with domestic investments, such as currency fluctuation, political and economic changes and market risks. These factors may result in greater share price volatility.

Shares of closed-end funds frequently trade at a discount to their net asset value (NAV). The price of the Fund's shares is determined by a number of factors, several of which are beyond the control of the Fund. Therefore, the Fund cannot predict whether its shares will trade at, below or above NAV.

Before investing in the Fund, investors should carefully consider the investment objective, risks, and charges and expenses of the Fund. This information can be found in the Fund's prospectus on file with the Securities and Exchange Commission. An investor should carefully read the Fund's prospectus before investing.

Participating stockholders will be required to initially pay for the Shares subscribed for in the offer as well as any additional shares subscribed for as part of the over-subscription privilege at the estimated subscription price.

The Fund's investment adviser is HERZFELD/CUBA, a division of Thomas J. Herzfeld Advisors, Inc. and the Fund's shares trade on the NASDAQ Capital Market under the symbol "CUBA." Thomas J. Herzfeld Advisors, Inc. specializes in the field of closed-end funds. Information about the investment adviser and the Fund can be found at www.herzfeld.com.

For further information contact:

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