



FOR IMMEDIATE RELEASE

**Tax-Free Puerto Rico Fund, Inc.
Dividend Declaration and Portfolio Statistics**

San Juan, Puerto Rico, October 10, 2008. - Tax-Free Puerto Rico Fund, Inc., a closed-end management investment company registered as an investment company under the Puerto Rico Investment Companies Act today announced that the Fund's Board of Directors has declared a tax exempt dividend from net investment income of \$0.05500 per share of common stock. The dividend is payable on October 10, 2008 to common shareholders of record as of September 30, 2008. Under normal circumstances the Fund invests at least 67% of its total assets in securities issued by Puerto Rico issuers. Shares of common stock are sold exclusively to individuals who have their principal residence in Puerto Rico and to business organizations that have their principal office and place of business in Puerto Rico.

Portfolio statistics (% of total portfolio assets) as of September 30, 2008¹:

Portfolio Summary		Characteristics	
PR Obligations:	69.33%	Total Assets	\$268 million
PR Issuers	60.44%	Net Asset Value	\$8.06
Mortgage-Backed Securities	6.98%	Market Price	\$9.95 / \$10.20
Preferred Stocks	1.91%	IPO Price (2001)	\$10.00
US Obligations:	30.67%	September 2008 Dividend	\$0.05500
US Agency	28.89%	Leverage ²	47.59%
US Municipals	1.78%	Market Yield ³	6.55%
Total	100.00%	IPO Yield ³	6.60%
		Avg. Last 12-Month Dividend	\$0.053

**UBS Asset Managers of Puerto Rico
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¹ The Fund's portfolio is actively managed and its composition will vary over time.

² As a percent of total assets.

³ Market yield is calculated by multiplying the current month's distribution by twelve and dividing by the average between the bid and ask month-end market prices. IPO yield is calculated by multiplying the current month's distribution by twelve and dividing the initial offering price of \$10. Prices and yields may vary. Past performance is no guarantee of future results.