

FOR: The Mexico Equity and
Income Fund, Inc.

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FOR IMMEDIATE RELEASE

**THE MEXICO EQUITY AND INCOME FUND, INC.
ANNOUNCES RESULTS OF RIGHTS OFFERING**

NEW YORK, NEW YORK, September 11, 2007 - **The Mexico Equity and Income Fund, Inc. (NYSE: MXE and MXE Pr)** today announced that the nontransferable rights offering conducted by the Fund for the purchase of its common stock (the "Offer"), which expired on August 31, 2007, raised \$30,736,956 and required the issuance of 848,150 shares of common stock. Each share of common stock was issued at a subscription price of \$36.24, which is equal to the Fund's net asset value per share on August 31, 2007. Because subscribing stockholders paid \$40.05 per share as an estimated subscription price prior to the expiration of the Offer, each such stockholder shall receive a refund of \$3.81 for each share purchased.

The Mexico Equity and Income Fund, Inc. is a non-diversified closed-end management investment company with the investment objective of high total return through capital appreciation and current income by investing at least 80% of its assets in equity and convertible debt securities issued by Mexican companies and debt securities of Mexican issuers. Its shares of common stock and preferred stock are listed on the New York Stock Exchange under the symbols "MXE" and "MXE Pr," respectively. The Fund provides a vehicle to investors who wish to invest in Mexican companies through a managed non-diversified portfolio as part of their overall investment program.

Because the Fund is non-diversified, it can take larger positions in few companies, increasing its overall risk profile. Investments in securities of foreign issuers present greater risks including currency fluctuations and changes in political/economic conditions. Foreign securities markets generally exhibit greater price volatility and are less liquid than the US markets. Please read the Fund's preliminary prospectus and other public reports for specific details regarding its risk profile.

Shares of closed-end funds frequently trade at a discount to net asset value. 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 net asset value.

This press release may contain certain forward-looking statements regarding future circumstances. These forward-looking statements are based upon the Fund's current expectations and assumptions and are subject to various risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements

including, in particular, the risks and uncertainties described in the Fund's filings with the Securities and Exchange Commission. Actual results, events, and performance may differ. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Fund undertakes no obligation to release publicly any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. The inclusion of any statement in this release does not constitute an admission by the Fund or any other person that the events or circumstances described in such statement are material.

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