

**The Mexico Equity and Income Fund, Inc.
Announces Redemption of Preferred Stock**

NEW YORK – (BUSINESS WIRE) – January 5, 2016 – The Mexico Equity and Income Fund, Inc. (the “Fund”) (NYSE: MXE) and (OTC: MXEIP) today announced the redemption of the Fund’s preferred stock.

On December 17, 2015 at the Annual Meeting of Stockholders of the Fund, the preferred stockholders, voting as a separate class, and the common and preferred stockholders, voting together as a single class, each approved an amendment to the Fund’s Articles Supplementary authorizing the elimination of the preferred stock. Consequently, the Fund intends to redeem all 48,535 preferred shares outstanding at 98% of the Fund’s net asset value per common share as of the close of business on Friday, January 8, 2016.

Preferred stockholders do not need to take any action to receive this redemption payment. The Fund intends to make such payment to each preferred stockholder on or about February 10, 2016.

Information on the Fund can be obtained by calling the Fund’s toll free number at (877) 785-0376 or by visiting the Fund’s website at www.mxefund.com. Inquiries regarding change of address, transfer of shares, lost certificates, and non-receipt of dividend checks or reinvestment statements should be directed to U.S. Bancorp Fund Services, LLC, 615 East Michigan Street, Milwaukee, WI 53202; (877) 785-0376.