

**FOR IMMEDIATE RELEASE**

**The Mexico Equity and Income Fund, Inc.  
Announces Earnings for the Nine Months Ended April 30, 2007.**

Business Editors

NEW YORK – (BUSINESS WIRE) - June 28, 2007 – The Mexico Equity and Income Fund, Inc. (the “Fund”) (NYSE: MXE; MXEPR), today announced unaudited results for the nine month period ended April 30, 2007.

On April 30, 2007, total net assets of the Fund were \$133,771,375 and the net asset value (“NAV”) for common and preferred stock was \$32.99 per share, based on 2,626,019 and 1,429,336 shares outstanding, respectively. The Fund’s common stock closed at \$38.40 per share and its preferred stock closed at \$33.40 per share on the New York Stock Exchange on April 30, 2007.

For the nine month period ended April 30, 2007, the Fund’s net realized and unrealized gains totaled \$55,435,852 and the Fund’s net investment loss was \$662,443.

On April 30, 2007, the Fund’s investments in equity securities of Mexican companies totaled \$133,705,623 (or 99.9% of the Fund’s net assets), while cash and cash equivalents (including foreign currency) totaled \$151,823 (or 0.1% of the Fund’s net assets). Other liabilities in excess of other assets totaled \$86,071 (or 0.0% of the Fund’s net assets). Additional information regarding the Fund’s investments may be obtained by calling the Fund’s Administrator at (414) 287-3311.

As of April 30, 2007, the Fund’s 10 largest common stock investments represented 56.7% of the Fund’s net assets and are listed below in descending order:

1. America Movil, S.A. de C.V. - Class L	11.6%
2. Promotora y Operadora de Infraestructura, S.A. de C.V.	7.6%
3. Grupe, S.A. de C.V.	6.5%
4. Grupo Mexico, S.A. - Series B	4.9%
5. Mexichem, S.A. de C.V.	4.8%
6. Wal-Mart de Mexico, S.A. de C.V. - Class V	4.6%
7. SARE Holding, S.A. de C.V.	4.5%
8. Desarrolladora Homex, S.A. de C.V.	4.5%
9. GBM Fondo de Inversiones en Valores Demoninados S.A. de C.V., SIID	4.0%
10. Grupo Mexicano de Desarrollo, S.A.	3.7%

The Fund’s common and preferred stocks are traded on the New York Stock Exchange under the trading symbol “MXE” and “MXEPR”, respectively.

Periodically updated information on the Fund can be obtained by calling the Fund’s dedicated telephone line. Information includes a recorded update providing the Fund’s net asset value. The Fund’s toll free number is (866) 700-6104. Inquiries regarding change of address, transfer of shares, lost certificates, and non-receipt of dividend checks or reinvestment statements should be directed to Computershare Investor Services, P.O. Box A35014, Chicago, IL 60690-3504; (888) 294-8217.

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