

**FOR IMMEDIATE RELEASE**

**The Mexico Equity and Income Fund, Inc.  
Announces Change in Valuation Date for Stockholders Receiving  
Dividends in Shares of MXE Common Stock**

Business Editors

NEW YORK – (BUSINESS WIRE) – January 16, 2008 – The Mexico Equity and Income Fund, Inc. (the “Fund”) (NYSE: MXE; MXEPR), announced today a change in the valuation date for stockholders electing to receive common stock for the Fund’s dividend, payable on January 25, 2008. Because U.S. stock markets will be closed on Monday, January 21, 2008 in observance of Martin Luther King Day the dividend valuation date has been changed to Tuesday, January 22, 2008.

The stock dividend with an option to elect cash to both its common and preferred stockholders will be paid in shares of common stock valued at the greater of market value or 95% of the net asset value on January 22, 2008. The Fund will not issue fractional shares, but instead will pay cash in lieu of fractional shares. The dividend consists of \$3.2342 short-term capital gain and \$4.1779 long-term capital gain.

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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