

FOR: The Mexico Fund, Inc.

CONTACT: Eduardo Solano
The Mexico Fund, Inc.
(011-52-55) 5282-8900

CONTACT: Keith Haynes
Georgeson Inc.
(212) 440-9915

FOR IMMEDIATE RELEASE

**MEXICO FUND ANNOUNCES PAYMENT OF ITS LARGEST DIVIDEND
DISTRIBUTION AND FILES EXEMPTIVE APPLICATION WITH THE SEC TO
IMPLEMENT A MANAGED DISTRIBUTION POLICY**

Washington, D.C., December 11, 2007 -- The Mexico Fund, Inc. (NYSE: MXF), a closed-end investment company investing in Mexican securities, today announced that its Board of Directors has declared, for the third consecutive year, the payment of the Fund's largest dividend distribution per share since its inception in June 1981. The Board has declared a stock dividend of \$5.1443 per share, and a cash dividend of \$0.8975 per share. Together, these two dividend distributions are equivalent to 13.37% of the Fund's market price and to 11.79% of its net asset value per share as of the Fund's fiscal year end, October 31, 2007. The two dividend distributions are payable on January 22, 2008 to stockholders of record on December 28, 2007.

The \$5.1443 per share dividend is payable in Fund shares unless the stockholder elects to receive the distribution in cash. This dividend is fully comprised of long-term capital gains. Fund stockholders will receive the stock dividend in additional shares of common stock of the Fund unless they elect to receive a cash payment. Instructions for making an election for a cash distribution will be mailed to record date shareholders on or about December 28, 2007 and must be received by the Fund's transfer agent by 4:00 p.m. (EST) on January 11, 2008. Stockholders whose election is not received before this deadline will receive this dividend in shares of common stock of the Fund. The number of Fund shares to be received by those shareholders not electing to receive cash will be based on the closing price of Fund shares on the New York Stock Exchange on January 15, 2008 and the dividend will be paid in cash or in the appropriate number of Fund shares on January 22, 2008. Cash will be issued in lieu of fractional shares to which a shareholder might otherwise be entitled. The Fund has announced that distributions of long-term capital gains will be made, as described above, payable in Fund shares unless the stockholder elects to receive the distribution in cash. This policy allows stockholders to remain invested in the Fund, without the transaction costs that would be incurred if stockholders received a dividend

in cash and reinvested the dividend proceeds in shares of the Fund. This is beneficial to investors who, consistent with the Fund's investment policy, seek long-term capital appreciation through investment in securities, primarily equity, listed on the Mexican Stock Exchange. Furthermore, the policy lessens the likelihood that the Fund must sell portfolio securities in less favorable market conditions in order to generate cash for long-term capital gains distributions. As part of their commitment and support of the Fund, all Directors and the Investment Adviser have chosen to receive their dividend in stock.

The \$0.8975 cash dividend per share is comprised of \$0.6486 net investment income and \$0.2489 short-term capital gains. This dividend is also payable on January 22, 2008 to stockholders of record on December 28, 2007.

Stockholders whose dividend distributions by the Fund are subject to withholding of U.S. taxes will receive cash or shares, as the case may be, net of the amounts of applicable withholding taxes.

The full amount of the dividend, whether received in additional shares of the Fund or in cash, will be reportable by U.S. taxpayers on their U.S. Federal income tax returns and may be subject to applicable state and local taxes.

On November 21, 2007, the Fund filed with the Securities and Exchange Commission an application for exemptive relief to permit the Fund to distribute long-term capital gains more frequently than once a year. This exemption would allow the Fund to make long-term capital gains distributions to stockholders as often as monthly. If its application is approved, and based upon information currently available, the Board of Directors intends to implement a Managed Distribution Plan with quarterly distributions to stockholders equivalent to 12% per annum of the Fund's net asset value per share.

For further information, contact Eduardo Solano, the Fund's Investor Relations Vice President, at 011-52-55-5282-8900, or by email at investor-relations@themexicofund.com.

The Mexico Fund, Inc. is a non-diversified closed-end management investment company with the investment objective of long-term capital appreciation through investments in securities, primarily equity, listed on the Mexican Stock Exchange. 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.

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

speaks 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 Mexico Fund or any other person that the events or circumstances described in such statement are material.

-- END OF PRESS RELEASE --