

November
2015



**mercado
libre**

Third Quarter 2015 Results

Investor Relations



This presentation may make forward-looking statements relating to such matters as continued growth prospects for the company, industry trends and product and technology initiatives. These statements are based on currently available information and our current assumptions, expectations and projections about future events. While we believe that our assumptions, expectations and projections are reasonable in view of currently available information, you are cautioned not to place undue reliance on these forward-looking statements. Our actual results may differ materially from those included in this presentation, for a variety of reasons, including those described in the forward-looking statements and risk factor sections of our 10-K and other filings with the Securities and Exchange Commission, which are available on our investor relations website. (<http://investor.mercadolibre.com>)

A reconciliation of Non-GAAP measures to the nearest comparable GAAP measures can be found in our third quarter 2015 earnings press release available on our investor relations website

All of the information included in this presentation is updated as of November 4th, 2015. Except as may be required by applicable law, we assume no obligation to publicly update or revise our statements.



Q3 2015 Highlights



Key Trends

- Enhanced marketplace driving growth, as MercadoPago and Shipping penetrate GMV
- Marketplace revenues grew 56% in LC; non-Marketplace : 89% in LC
- MP's merchant services +107%, Advertising +176%, Financing +81% all in LC
- GMV growing in USD (+9%) despite FX headwinds; 77% in LC



Continued progress on strategic initiatives

- MercadoPago On-platform penetrating GMV, driven by the interest free listings adoption in Brazil, Mexico and Chile
- MP's Merchant services growth mainly driven by key open platform integrations and cross border payments
- Our shipping solution, MercadoEnvíos, shipped over 45% of units sold (60% in Brazil)
- Official Stores: 1,250 brands and large retailers selling through MELI's marketplace

In other news...

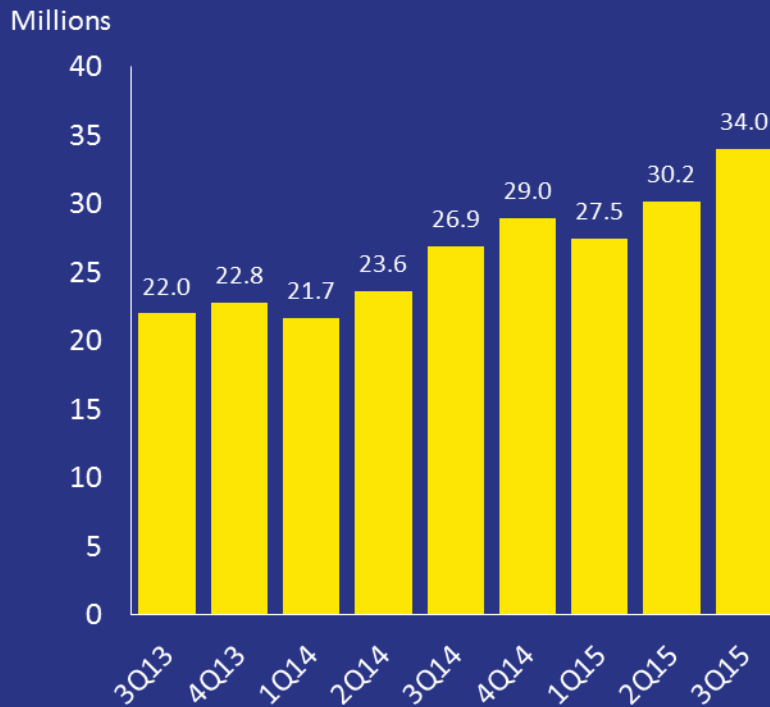
- We were granted the benefits under the new software development law in Argentina, enabling a relief in income tax and payroll taxes for software related activities



Core Operating Metrics



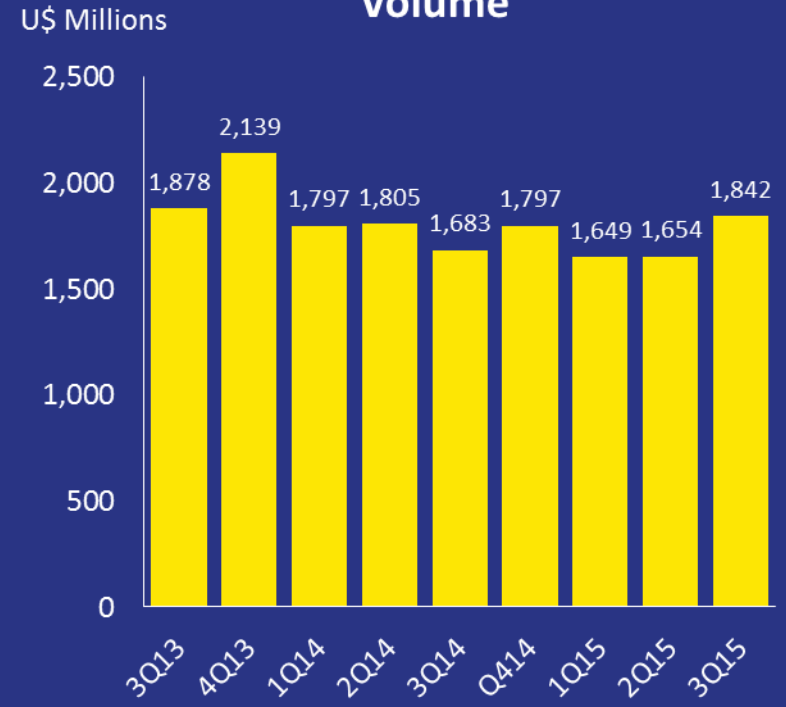
Items Sold



YoY Growth

25% 20% 20% 18% 22% 27% 26% 28% 26%

Gross Merchandise Volume



YoY Reported USD growth

31% 30% 15% 5% -10% -16% -8% -8% 9%

YoY LC growth

49% 49% 58% 67% 79% 85% 77% 85% 77%

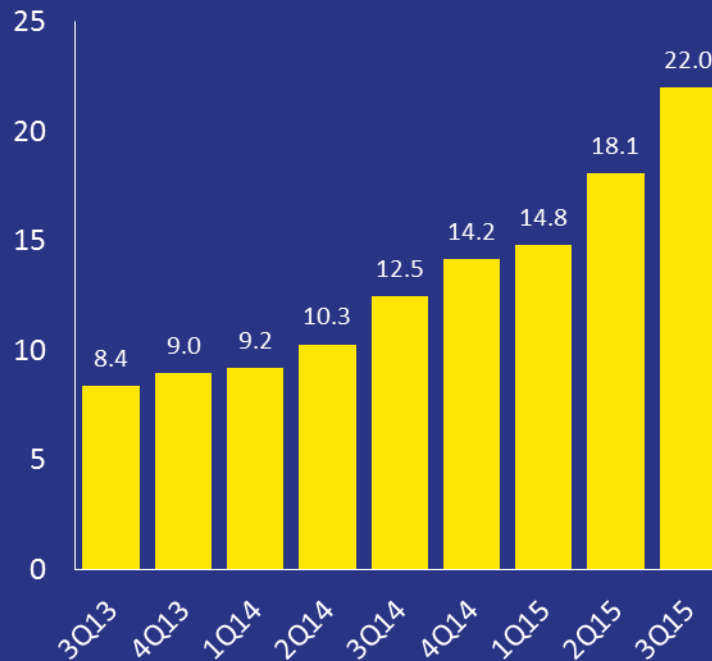


Payments Operating Metrics



Total Payment Transactions

Millions

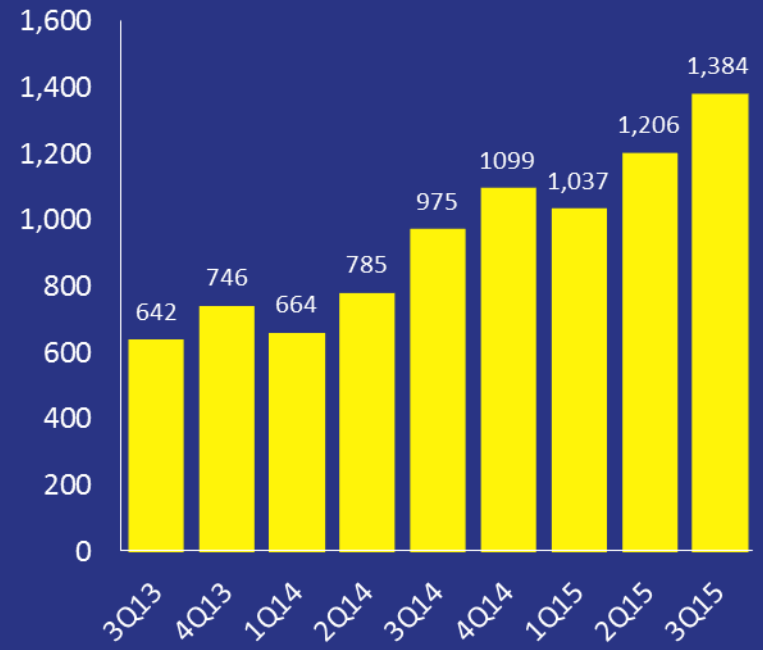


YoY Growth

32% 34% 36% 40% 49% 58% 62% 76% 75%

Total Payment Volume

US\$ Millions



YoY Reported USD growth

34% 42% 25% 36% 52% 47% 56% 54% 42%

YoY LC growth

55% 66% 64% 77% 99% 107% 104% 108% 95%

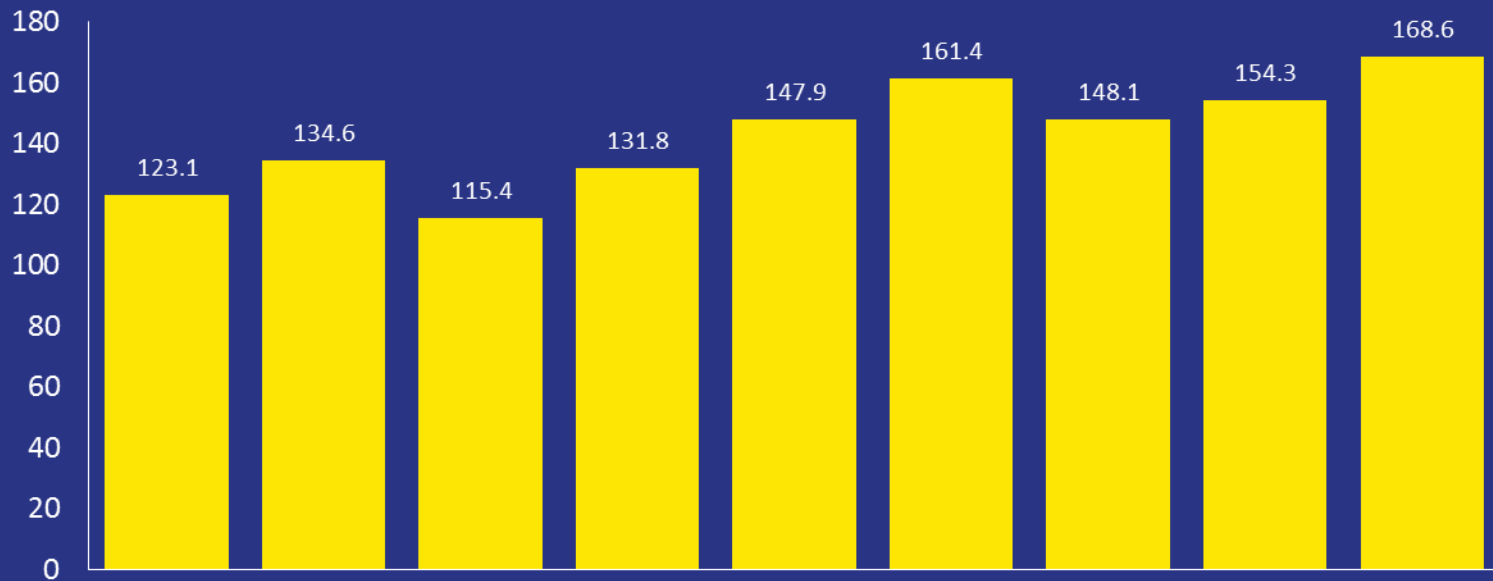


Net Revenues



Net Revenues

U\$ Millions



YoY Reported
USD Growth

Quarter	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15
YoY Reported USD Growth	27%	30%	12%	18%	20%	20%	28%	17%	14%

YoY LC
Growth

YoY LC Growth	45%	50%	50%	66%	89%	109%	100%	88%	68%
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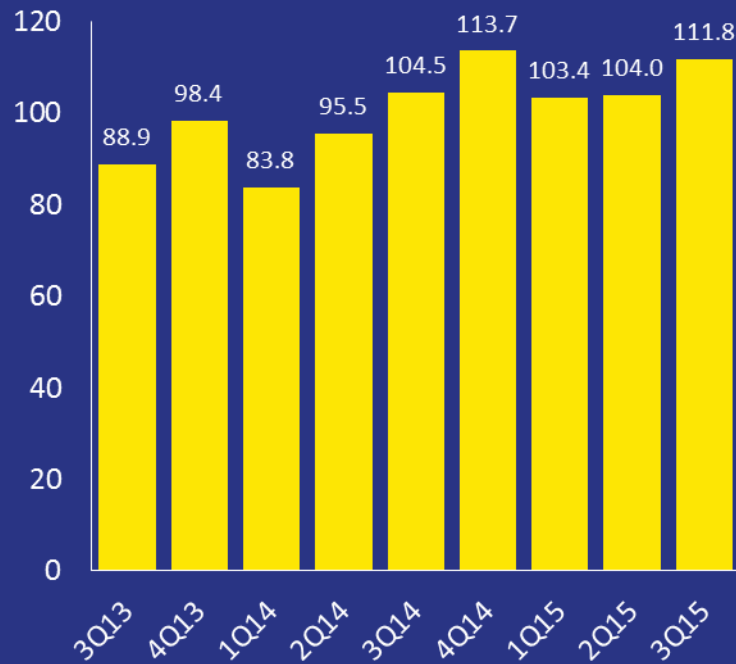


Gross Profit & EBIT



Gross Profit

U\$ Millions

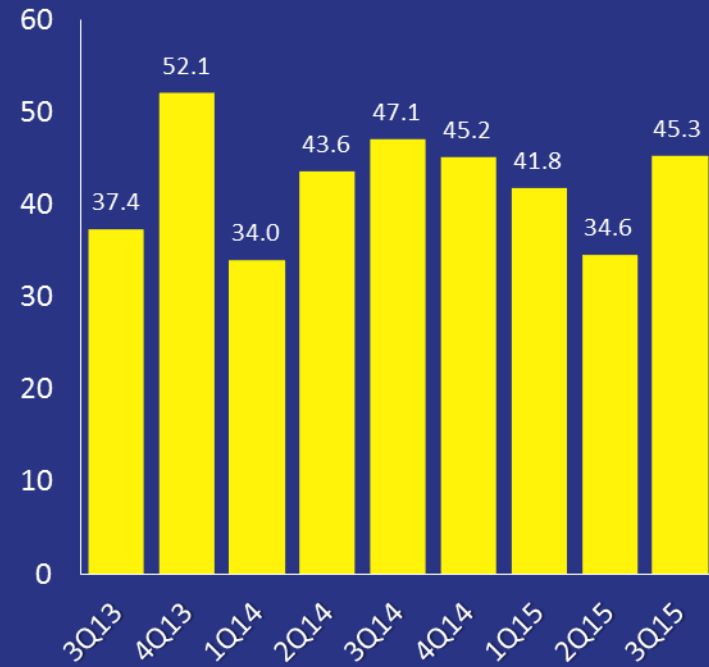


Gross Margin

72% 73% 73% 72% 71% 70% 70% 67% 66%

EBIT

U\$ Millions



EBIT Margin

30% 39% 29% 33% 32% 28% 28% 22% 26%

Adjusted measures, excluding one-time adjustments in Q2'14 & Q1'15

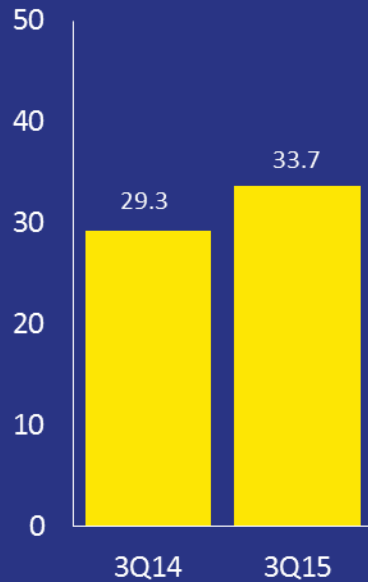


COGS & OPEX



COGS

% of Revenues



■ COGS

YoY change:

- 435 bps of margin contraction, mainly explained by collection fees and sales taxes, partially offset by scale in customer support.
- 171 bps of total contraction are explained by FX

OPEX

% of Revenues



■ Product Development ■ Sales & Marketing ■ General & Administrative

YoY change:

- **G&A:** 116 bps of contraction explained by a one time reversal of tax credits in Q3 2014, partially offset by a reduction in the LTRP accrual.
- **S&M:** 142 bps of scale driven by lower bad debt and marketing expenses, partially offset by higher fraud prevention expenses
- **PD:** 93 bps of contraction driven by higher compensation costs and IT investments, partially offset by the software development law and LTRP
- 319 bps of OPEX margin contraction are explained by FX

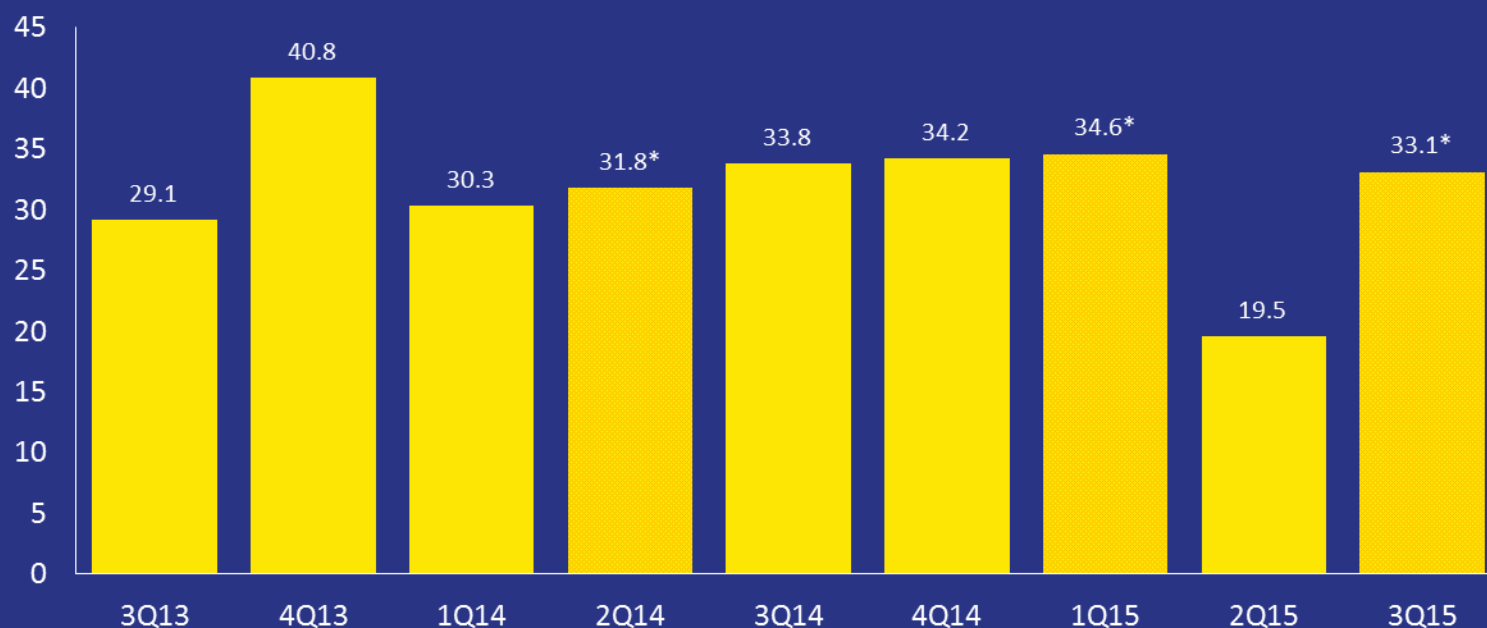


Net Income & EPS



Net Income

U\$ Millions



	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15	3Q15
Net Income Margin	23.7%	30.3%	26.3%	24.1%*	22.8%	21.2%	23.3%*	12.6%	19.6%*
Adj EPS	0.67	0.66	0.69	0.72*	0.76	0.76	0.78*	0.44	0.75*

*Adjusted measures, excluding one-time adjustments in Q2'14, Q1'15 & Q3'15
 As reported:; Q2'14: (\$25.6M) ;Q1'15: \$1.7M ; Q3'15: \$45.6M

