

October
2014



**mercado
libre**

Third Quarter 2014 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 2014 earnings press release available on our investor relations website

All of the information included in this presentation is updated as of October 30th, 2014. Except as may be required by applicable law, we assume no obligation to publicly update or revise our statements.



Q3 2014 Highlights



Key Trends

- Strong cross-usage of the platform driving acceleration in volume metrics and revenues, with MercadoPago leading the trend
- Revenues accelerated to +89% YoY in local currencies (+59% ex Venezuela),
- Revenues grew 20% YoY in USD (+39% ex Venezuela), despite currency devaluations
- Accelerating financing revenues, above 70% year-over-year



Continued progress on strategic initiatives

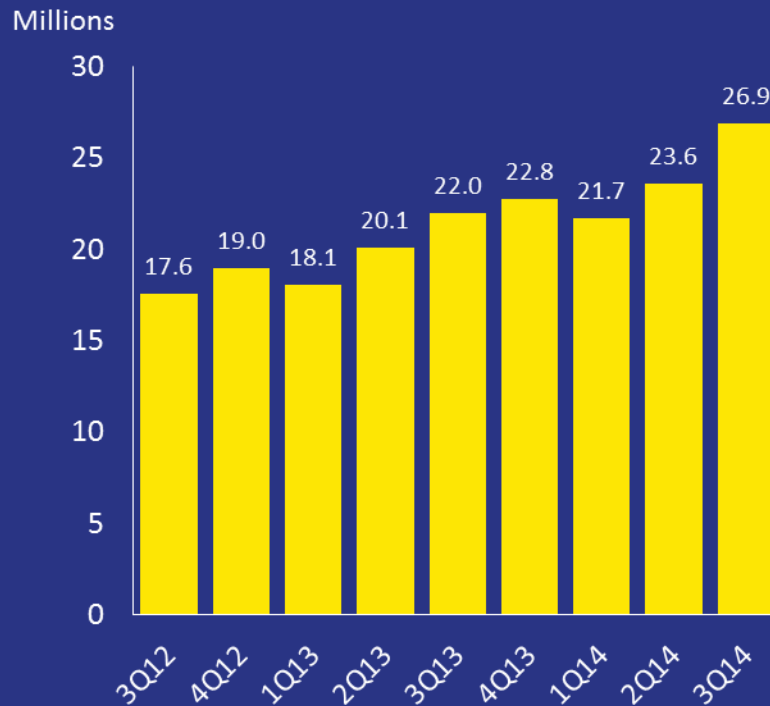
- Brazil's on-platform payments penetrated 14 percentage points of GMV quarter-on-quarter aided by usability improvements and new product features, such as our interest-free listing type in Brazil
- MercadoEnvios shipped over 30% of Brazil's sold items in the third quarter
- Enhanced mobile solutions allowed for an increased penetration of gross merchandise volume in each country operation
- Reached 364 Official Stores in Brazil, Argentina and Mexico; +138 new brands in Q3
- Consistent gains in Net Promoter Score reflecting Customer Experience improvements



Core Operating Metrics

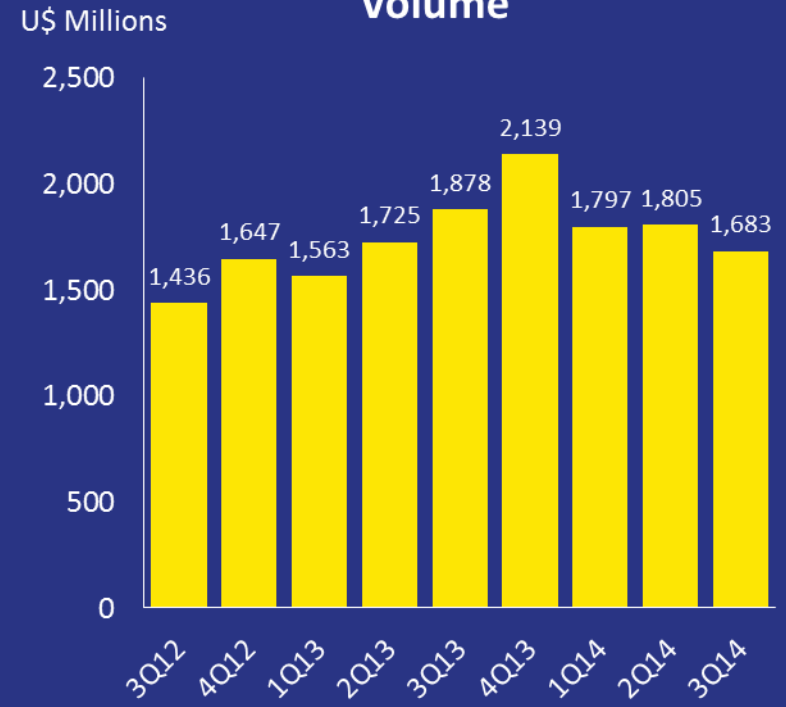


Items Sold



YoY Growth	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14
	22%	19%	20%	27%	25%	20%	20%	18%	22%

Gross Merchandise Volume



YoY Reported USD growth	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14
	7%	14%	18%	33%	31%	30%	15%	5%	-10%
YoY Constant USD growth	20%	21%	30%	45%	49%	49%	58%	67%	79%

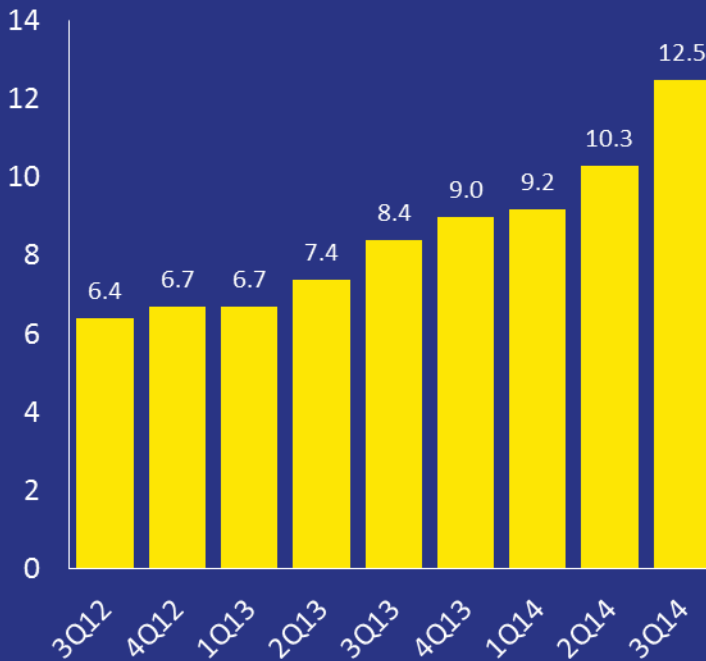


Payments Operating Metrics



Total Payment Transactions

Millions

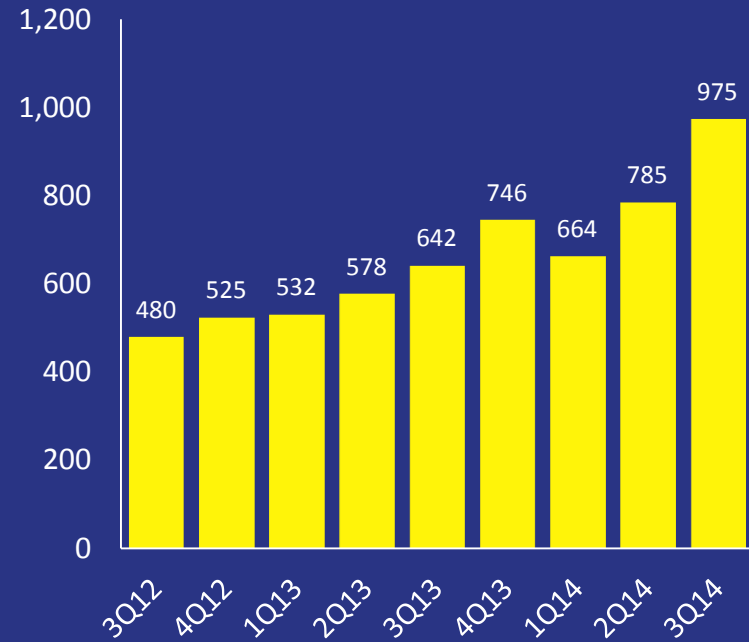


YoY Growth

65% 43% 38% 35% 32% 34% 36% 40% 49%

Total Payment Volume

US\$ Millions



YoY Reported USD growth

30% 30% 44% 40% 34% 42% 25% 36% 52%

YoY Constant USD growth

55% 47% 62% 54% 55% 66% 64% 77% 99%

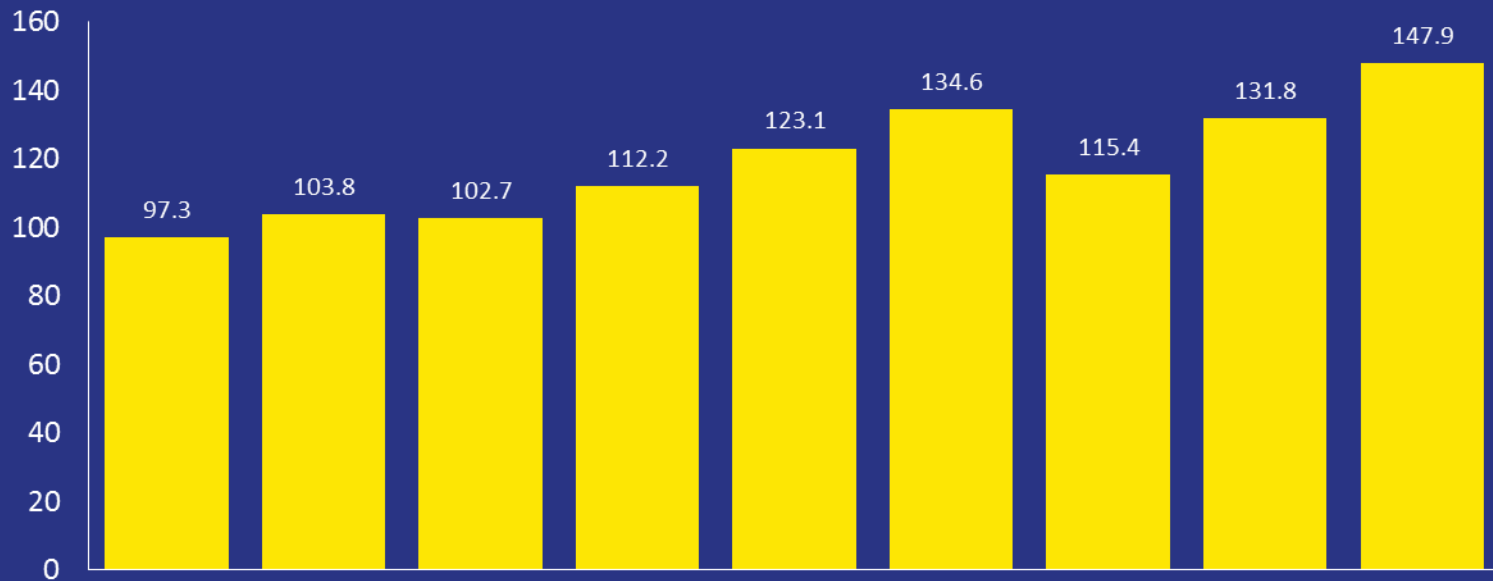


Net Revenues



Net Revenues

U\$ Millions



	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14
YoY Reported USD Growth	19%	20%	23%	26%	27%	30%	12%	18%	20%
YoY Constant USD Growth	37%	31%	36%	38%	45%	50%	50%	66%	89%

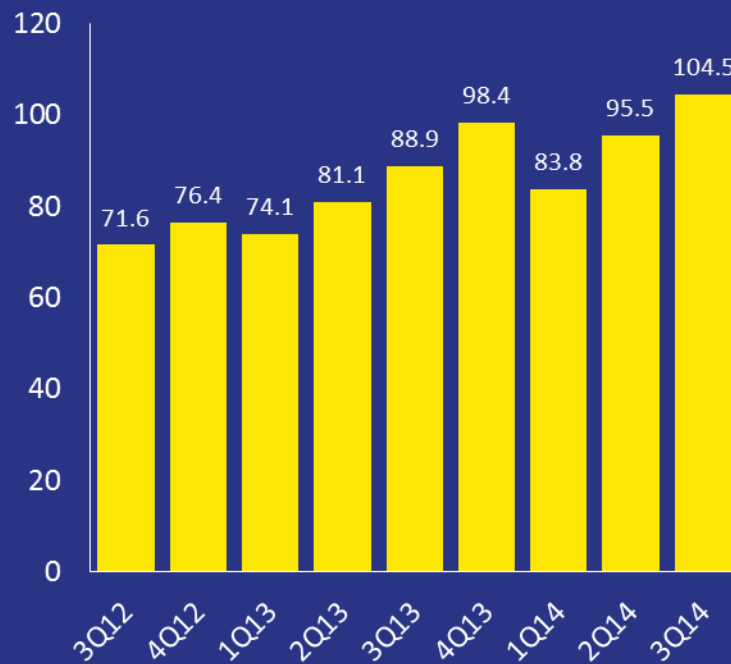


Gross Profit & EBIT



Gross Profit

U\$ Millions

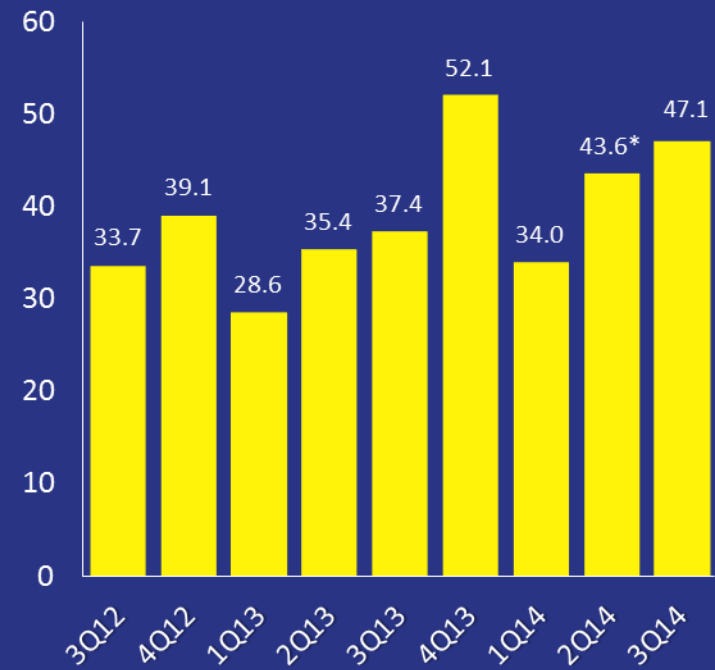


Gross Margin

74% 74% 72% 72% 72% 73% 73% 72% 71%

EBIT

U\$ Millions



EBIT Margin

35% 38% 28% 32% 30% 39% 29% 33%* 32%

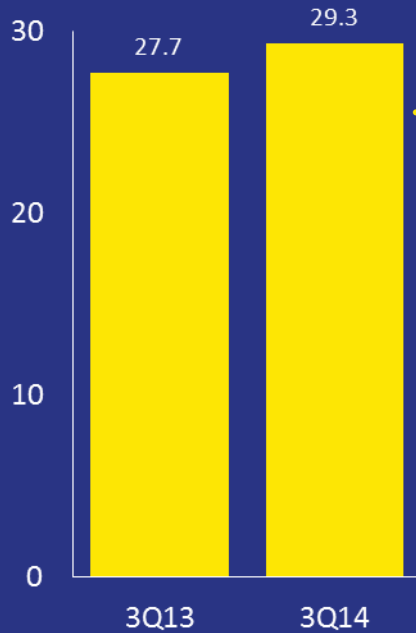
* Adjusted measures, excluding one time effects of Venezuela devaluation in 2Q14.

COGS & OPEX



COGS

% of Revenues

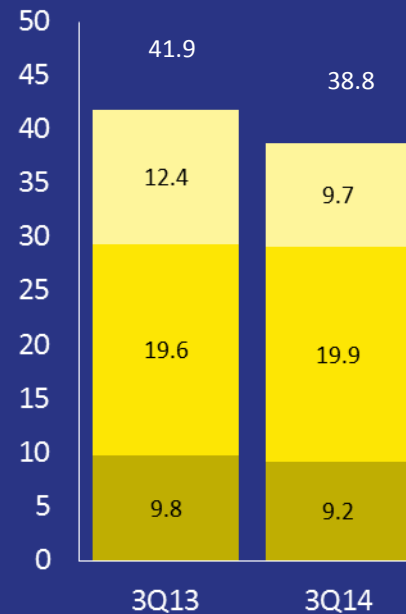


YoY change:

- +192 bps of collection fees for MP, offset by scale in customer support and site operations

OPEX

% of Revenues



YoY change:

- 198 bps from a one-time Software Development Law benefit in Argentina
- 65 bps of scale in LTRP
- +168 bps of customer acquisition
- +115 bps of Buyer Protection Program
- 181 bps of improvement in bad debt and chargebacks
- 47bps of scale in salaries
- Prior year one-timer explains YoY improvement

■ General & Administrative ■ Sales & Marketing ■ Product Development

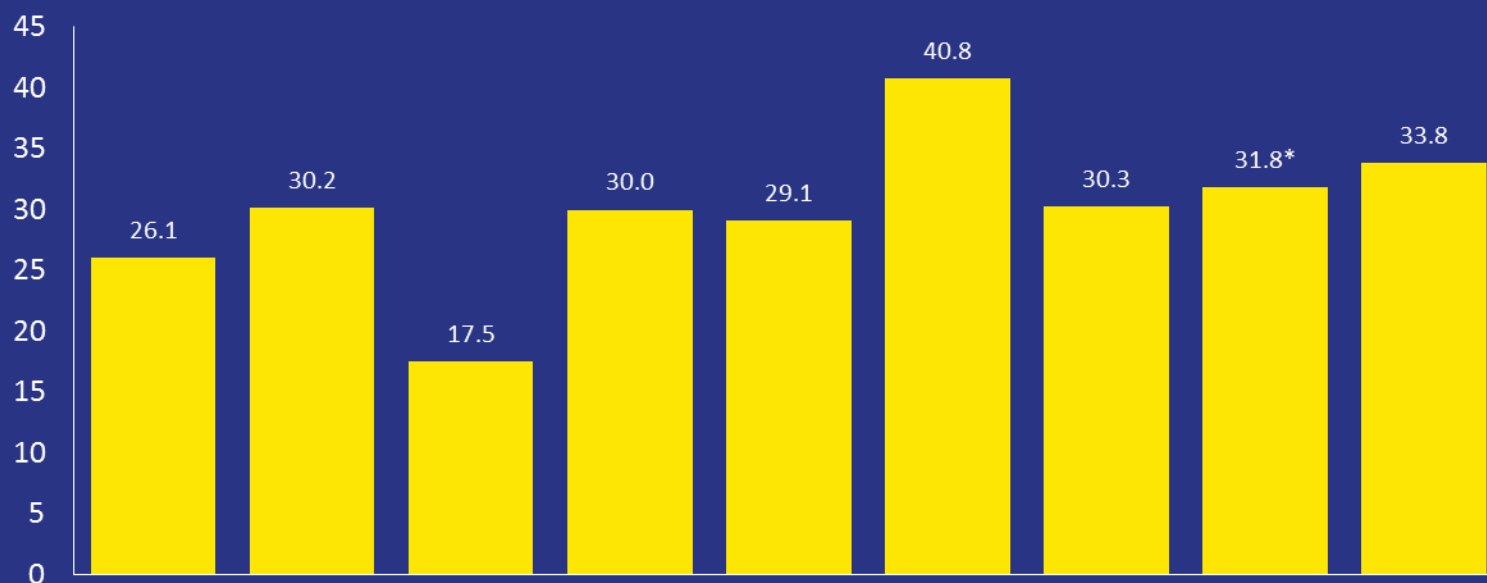


Net Income & EPS



Net Income

U\$ Millions



	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14
Net Income Margin	27%	29%	17%	27%	24%	30%	26%	24%*	23%
EPS	0.57	0.59	0.69	0.40	0.67	0.66	0.69	0.72*	0.76

* Adjusted measures, excluding one time effects of Venezuela devaluation in 2Q14.

