

November
2016



**mercado
libre**

Third Quarter 2016 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 2016 earnings press release available on our investor relations website

All of the information included in this presentation is updated as of November 3rd, 2016. Except as may be required by applicable law, we assume no obligation to publicly update or revise our statements.



Q3 2016 Highlights



Key Trends

- Items sold in Brazil and Mexico accelerated to 61% and 33% YoY, both reaching multi-year highs.
- Gross Merchandise Volume +39% YoY on an FX neutral basis (Ex Venezuela).
- Marketplace revenues grew 71% and non-marketplace 60% YoY. Total revenues grew 66% YoY, all on an FX neutral basis. In USD revenues grew 37% YoY, the highest growth rate in over four years.
- Processed \$2.1 billion in Total Payment Volume for the first time in MELI's history in a single quarter, also surpassing our core marketplace's Gross Merchandise Volume.



Continued progress on strategic initiatives

- MercadoPago on platform penetrating GMV at a fast clip across the board:
 - Brazil 100%, Argentina 76%, Mexico 76%, Colombia 47%, Chile 18%.
- Merchant service business maintaining momentum as total payment volume grew 101% YoY on an FX neutral basis, the sixth consecutive quarter of triple digit growth.
- MercadoEnvíos keep tracking positively, as Items shipped grew 83% YoY to 23.1 million.
 - Mexico was a highlight, as penetration reached 43% of items shipped versus 18% a year ago.

In other news...

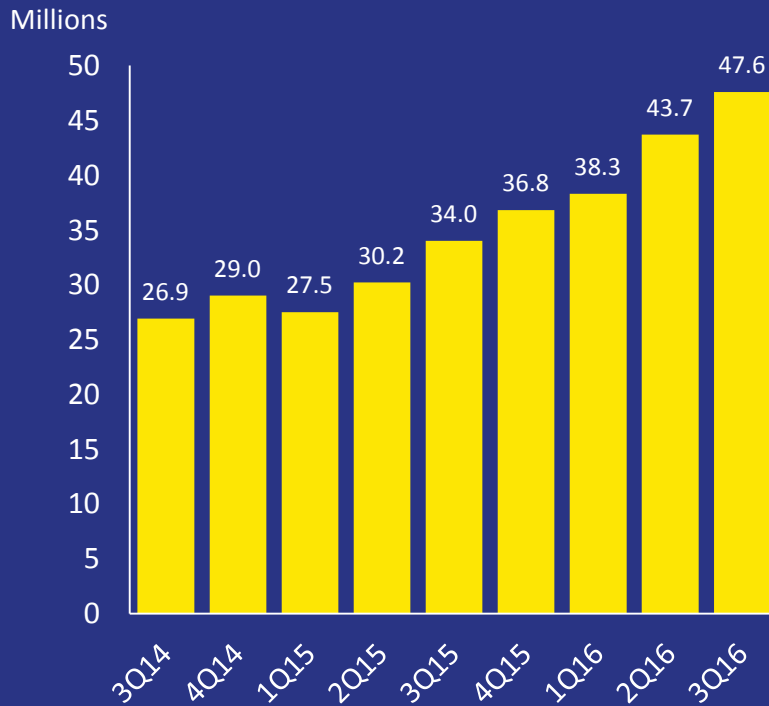
- Launched Mercado Pago POS in Mexico and Argentina.



Q3 2016 Core Operating Metrics

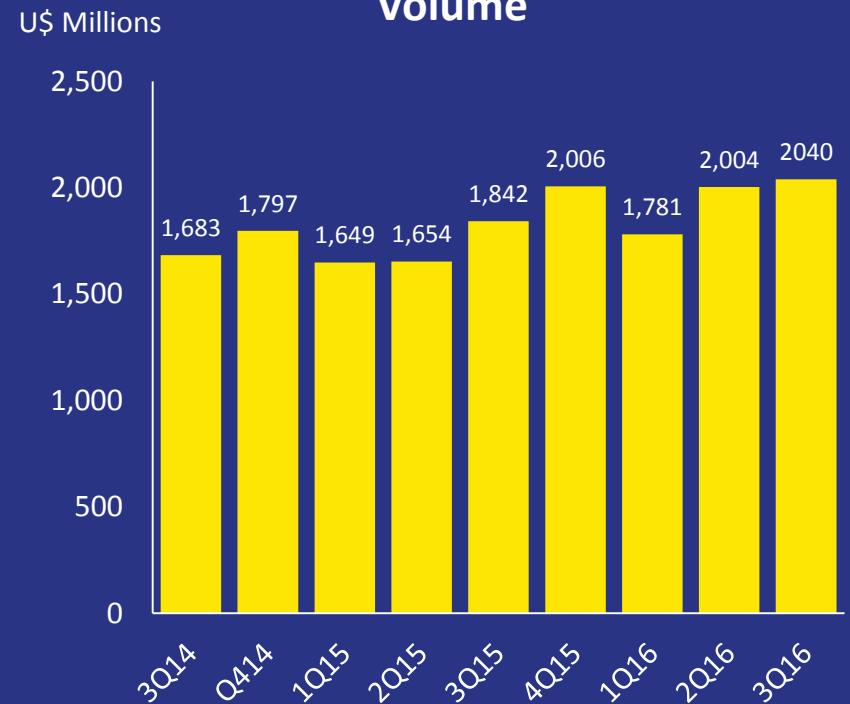


Items Sold



YoY Growth	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16
YoY Growth	22%	27%	27%	28%	26%	27%	39%	45%	40%

Gross Merchandise Volume



YoY Reported USD growth	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16
YoY Reported USD growth	-10%	-16%	-8%	-8%	10%	12%	8%	21%	11%
YoY FX Neutral growth	79%	85%	78%	86%	77%	86%	102%	68%	46%

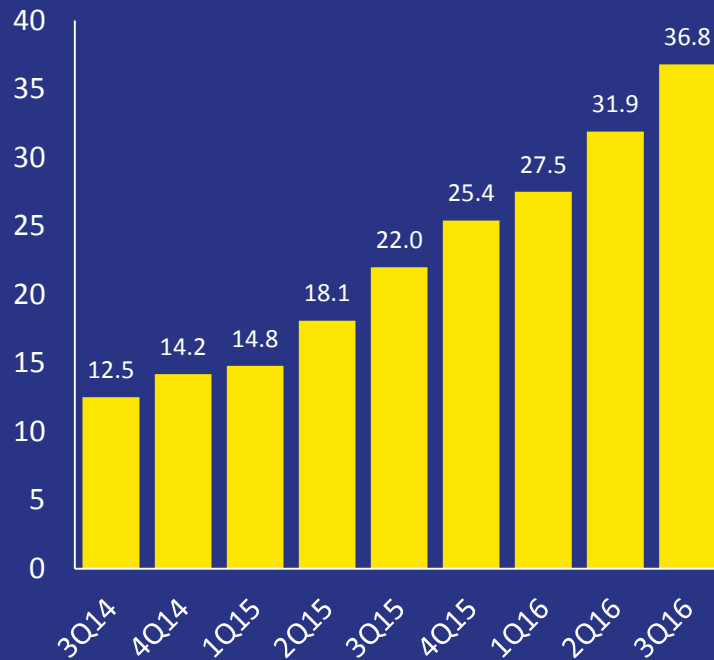


Q3 2016 Payments Operating Metrics



Total Payment Transactions

Millions

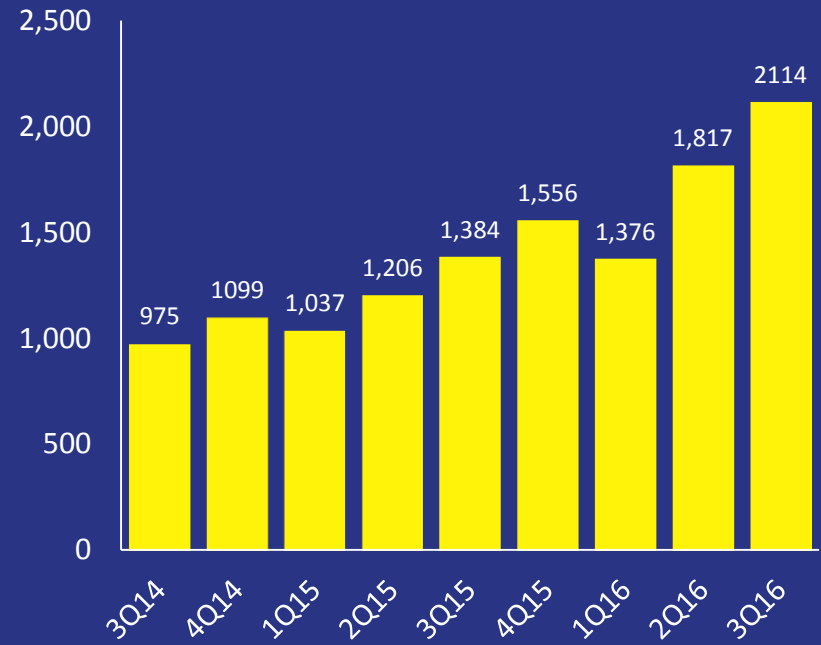


YoY Growth

49% 58% 62% 76% 75% 79% 86% 76% 68%

Total Payment Volume

US\$ Millions



YoY Reported USD growth

52% 47% 56% 54% 42% 42% 33% 51% 53%

YoY FX Neutral growth

99% 107% 102% 108% 95% 97% 108% 102% 85%

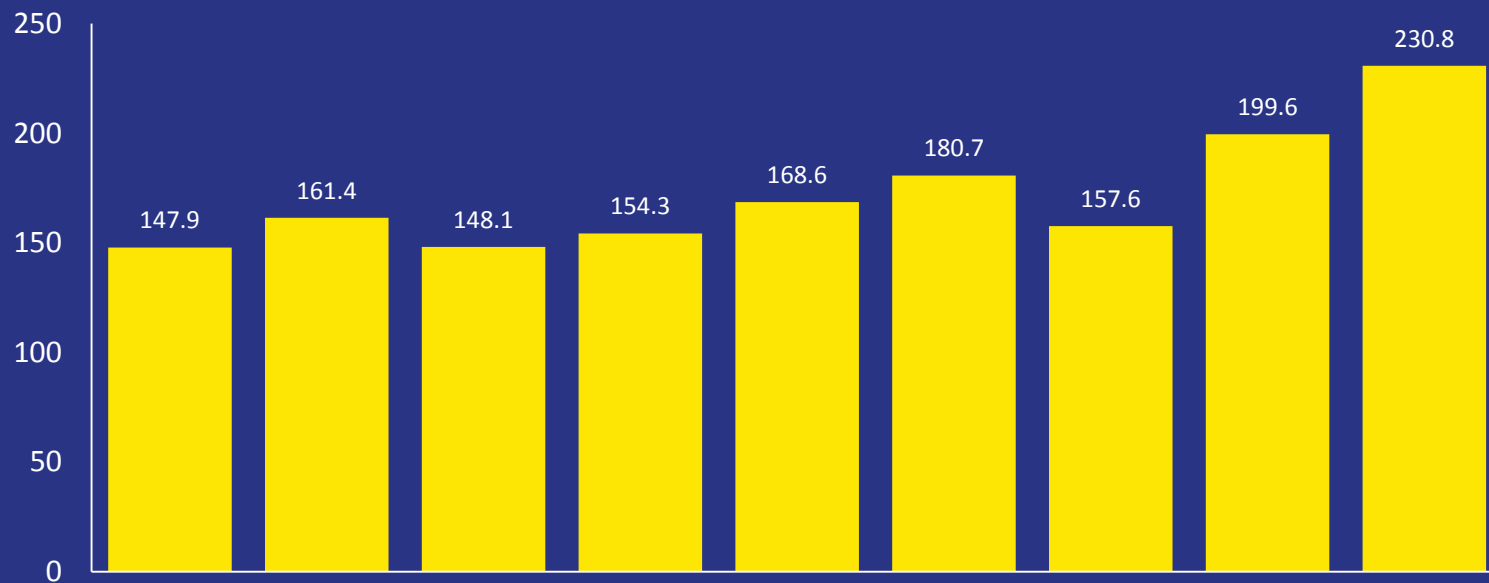


Q3 2016 Net Revenues



Net Revenues

U\$ Millions



YoY Reported
USD Growth

Quarter	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16
YoY Reported USD Growth	20%	20%	28%	17%	14%	12%	6%	29%	37%

YoY FX Neutral
Growth

Quarter	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16
YoY FX Neutral Growth	87%	107%	100%	88%	68%	69%	74%	73%	66%

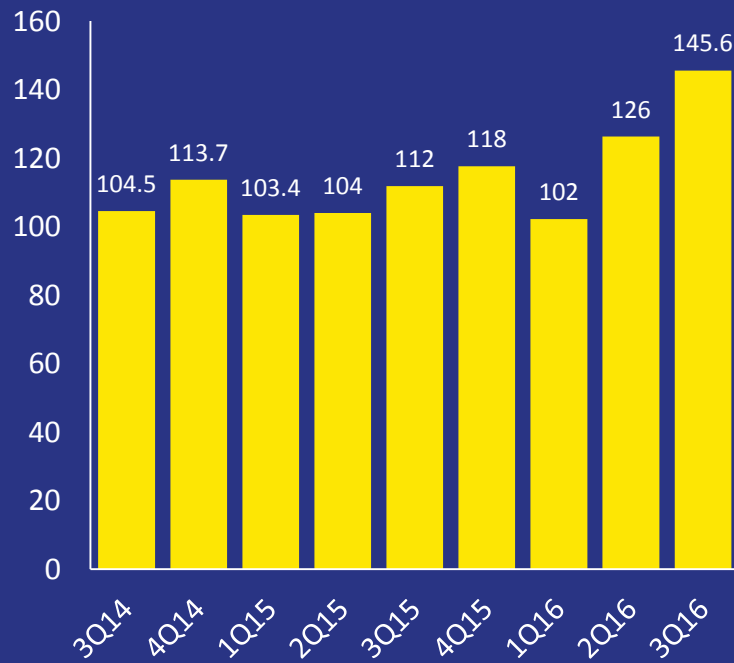


Q3 2016 Gross Profit & EBIT



Gross Profit

U\$ Millions

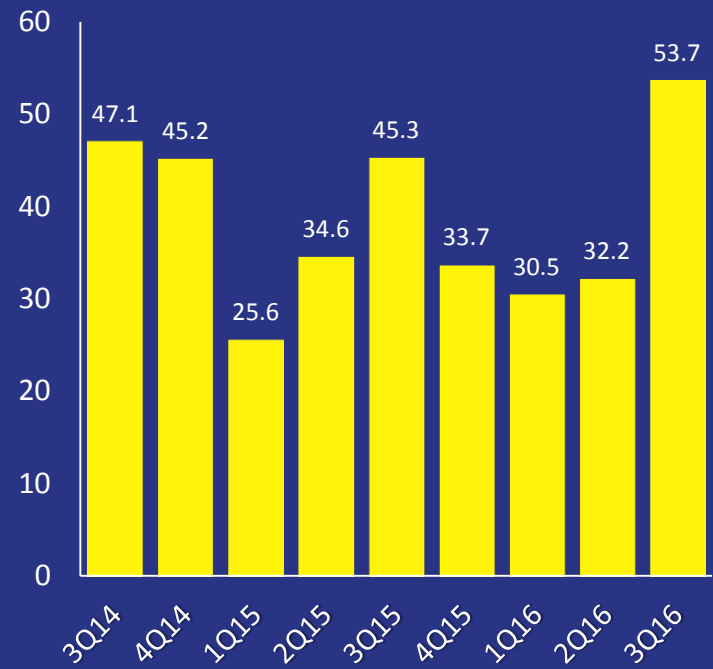


Gross Margin (%)

71% 70% 70% 67% 66% 65% 65% 63% 63%

EBIT

U\$ Millions



EBIT Margin (%)

31% 28% 17% 22% 27% 19% 19% 16% 23%

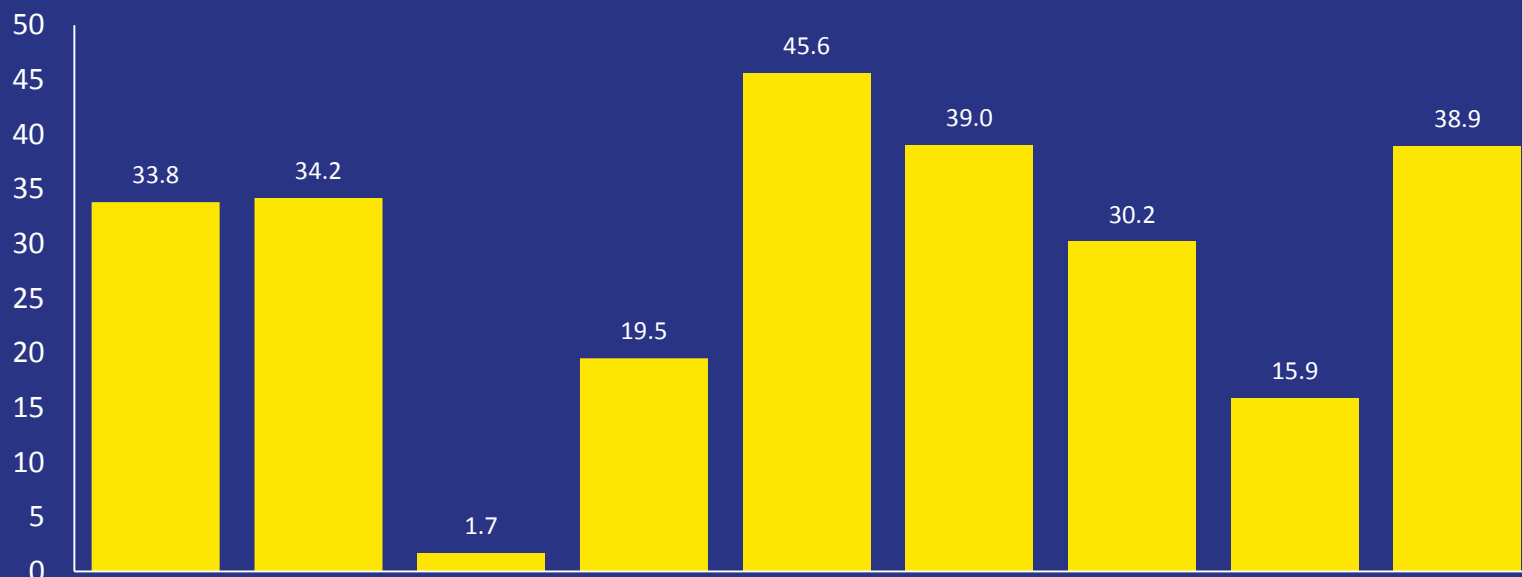


Net Income & EPS



Net Income

U\$ Millions



Net Income Margin (%)

EPS

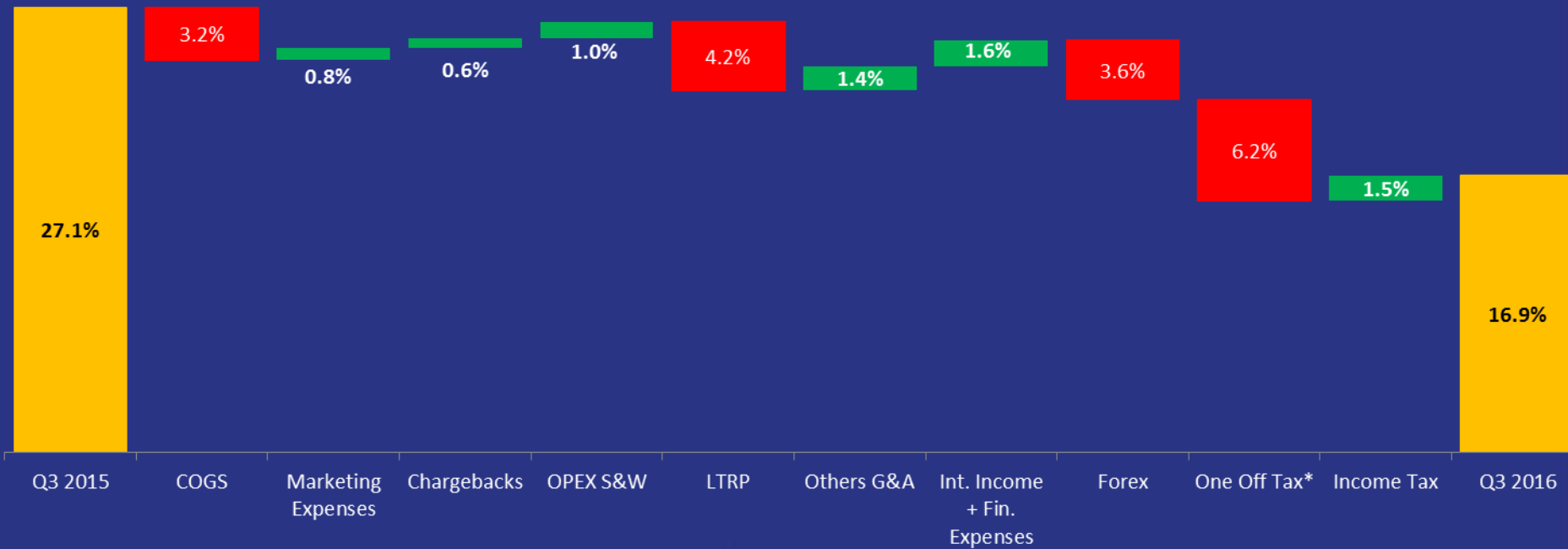
Quarter	3Q14	4Q14	1Q15	2Q15	3Q15	4Q15	1Q16	2Q16	3Q16
Net Income Margin (%)	22.8%	21.2%	1.2%	12.6%	27.1%	21.6%	19.2%	7.9%	16.9%
EPS	0.76	0.76	0.04	0.44	1.03	0.87	0.68	0.36	0.88



Q3 2016 Net Income Margin vs. Last Year



- Net Income margin pressure driven by 2015 one-time tax gains, Long Term Retention Plan compensation costs, and foreign exchange losses.



*One Off Tax = Software Law Q3 '15

