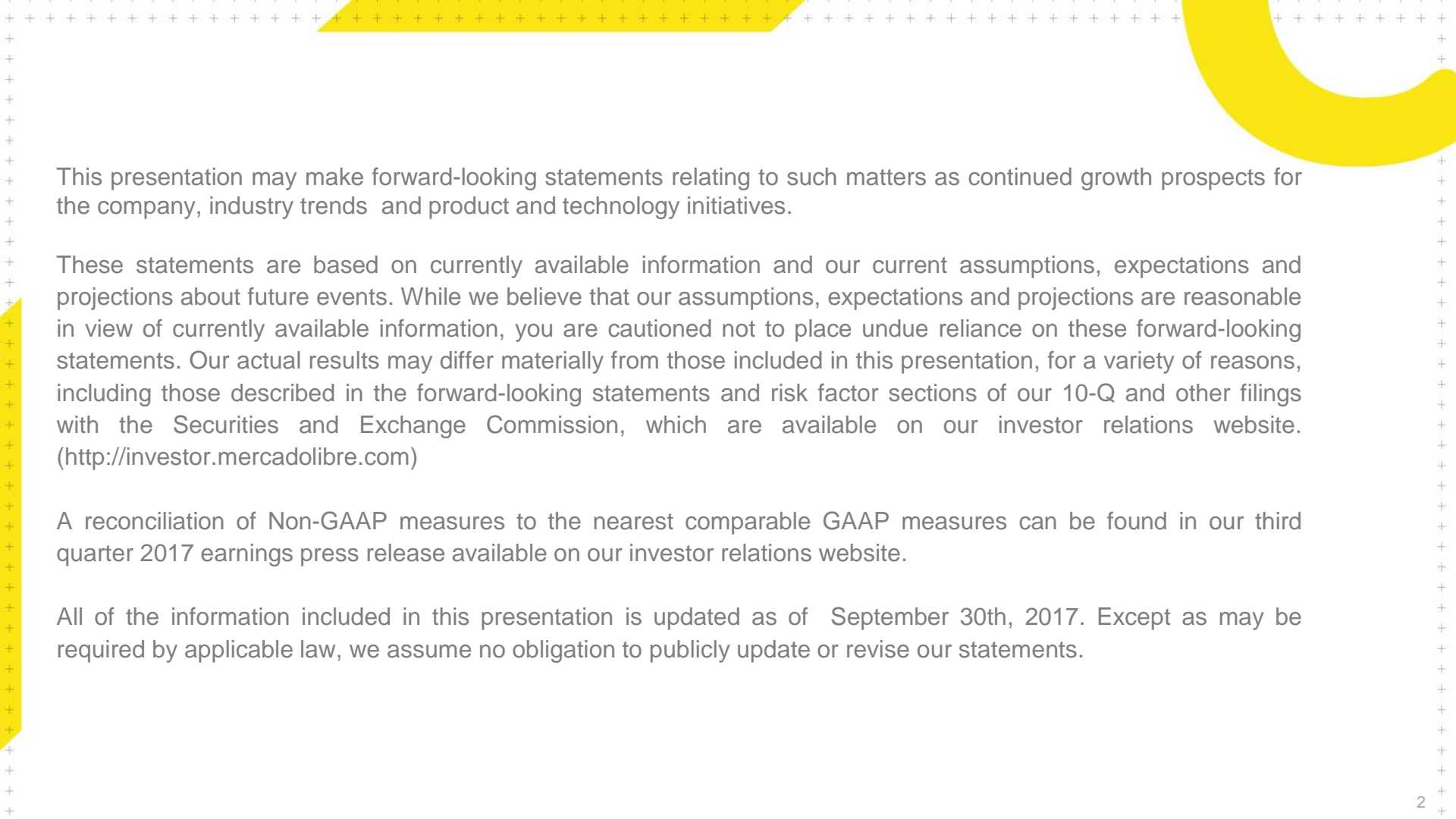




Mercado Libre

Third Quarter 2017 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-Q 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 2017 earnings press release available on our investor relations website.

All of the information included in this presentation is updated as of September 30th, 2017. Except as may be required by applicable law, we assume no obligation to publicly update or revise our statements.

Q3 Highlights

Key trends

Total revenues accelerated to U\$370.7 M

- 79.4% YoY on an FX neutral basis

GMV passed the \$3B mark for the first time, ending the quarter with U\$3.1 B

- 93.8% growth YoY (FX neutral) and 50.7% (in USD)

Units sold accelerated for the second consecutive quarter to 55.8% year on year to 74.2 million, delivering the fastest pace of unit volume growth in over five years.

Mercado Pago on Mercado Libre penetration grew by 1000 bps YoY, and exiting the quarter 8 out of 10 items sold are paid for and settled our payments solution

TPV continues to grow ending the quarter with U\$3.667 M, a 73,5% YoY growth in USD.

- TPV off platform accelerated to 106.1% YoY on an FX neutral basis.

GMV: gross merchandise volume

TPV: total payment volume

Continued progress on strategic initiatives

Items shipped grew by a solid 80% year on year to 41.7 million units, with solid volume gains across all countries

- $\frac{3}{4}$ of items sold in Mexico already shipped through our Envíos solution and network of carrier partners

Selection & SKU count continues to deepen as live listings reached 106 million, exceeding for the first time in our history the 100 million mark.

Mobile-point-of-sale devices sold in Brazil grew 447% and its TPV already represents 28% of the off platform total payment volume.

During the third quarter, mobile GMV penetration grew 1100 bps year on year to 47% of total GMV.

Merchant credits growing at a fast clip in Argentina and Brazil while also contributing to profitability and top line.

In other news...

Launched shopping cart feature in Brazil with Encouraging results in conversions and user adoption.

Continued enhancing logistics networks through pick up points in Argentina & Mexico, and drop-off locations in Argentina and Brazil. Additionally on boarded carriers in Argentina, Brazil, and Mexico.

Continued on barding well known brands to our official stores initiative such as Avon, Puma, and Cencosud.



Highlights

	3Q16	3Q17	YoY
Successful Items	47.6M	74.2M	+55.8%
Live Listings	70.4M	110.6M	+50.6%
Unique Buyers	12.4M	16.3M	+31.1%

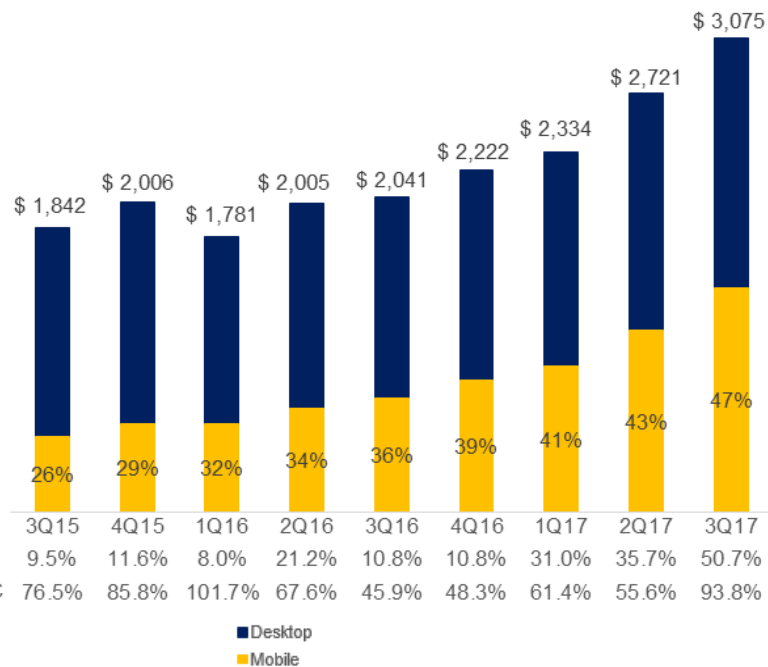
3Q17
3.1B GMV

201 million registered users

Q3 2017 Core Operating Metrics

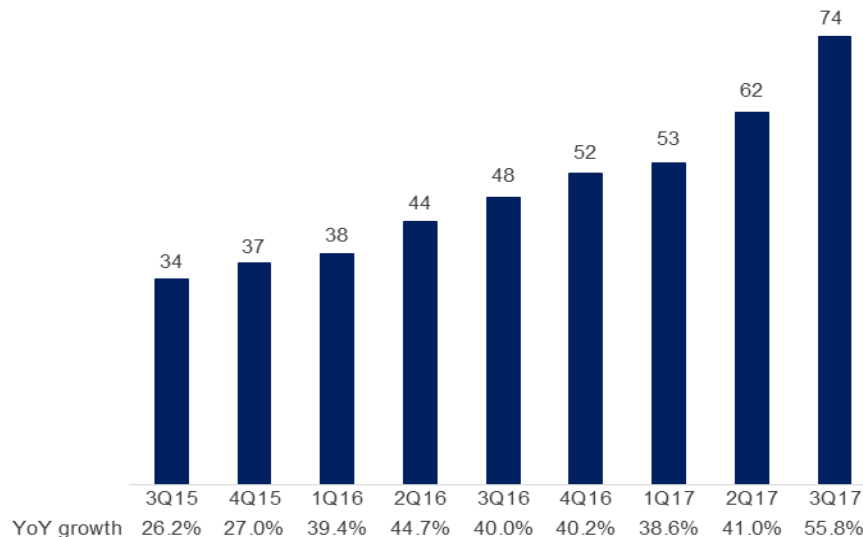
Gross Merchandise Volume

US\$ Million



Items Sold

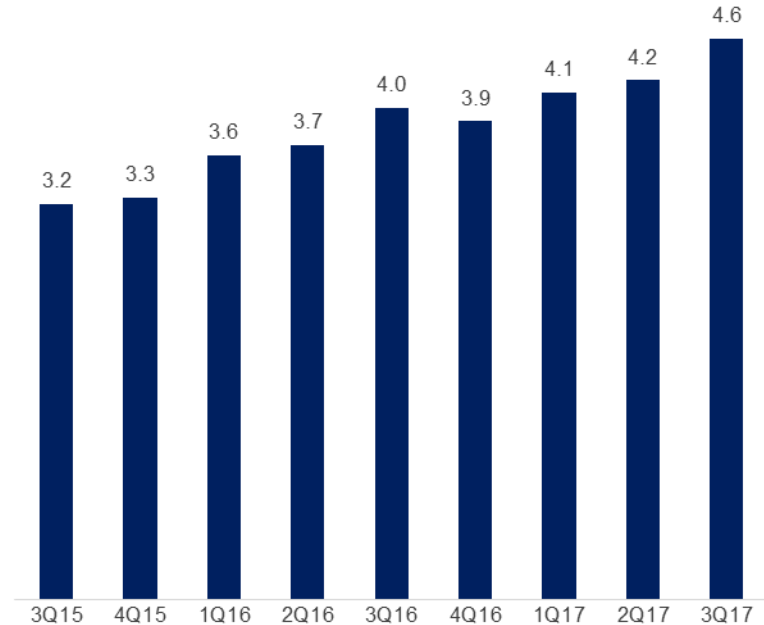
Million



Q3 2017 Supply & Demand Metrics

Unique Sellers

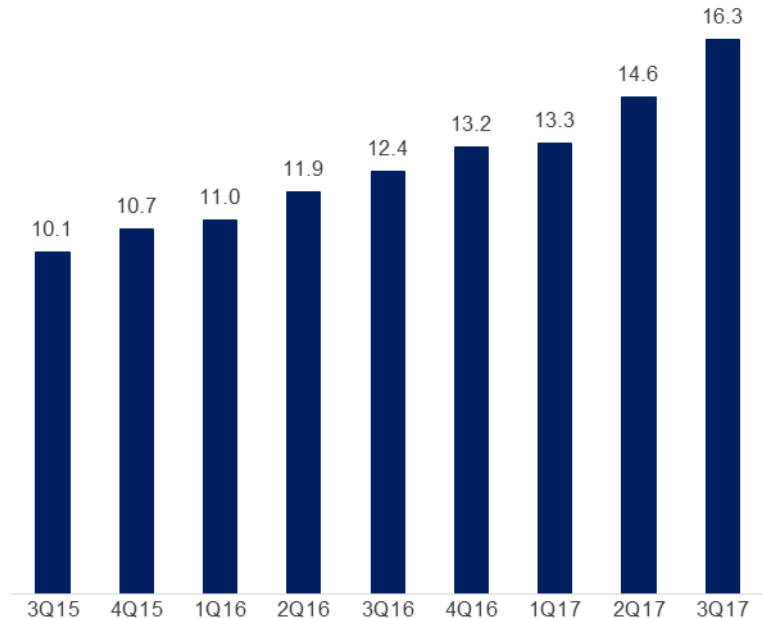
Million



YoY growth 14.4% 22.4% 26.0% 24.4% 24.4% 19.5% 14.3% 14.2% 14.1% YoY growth

Unique Buyers

Million

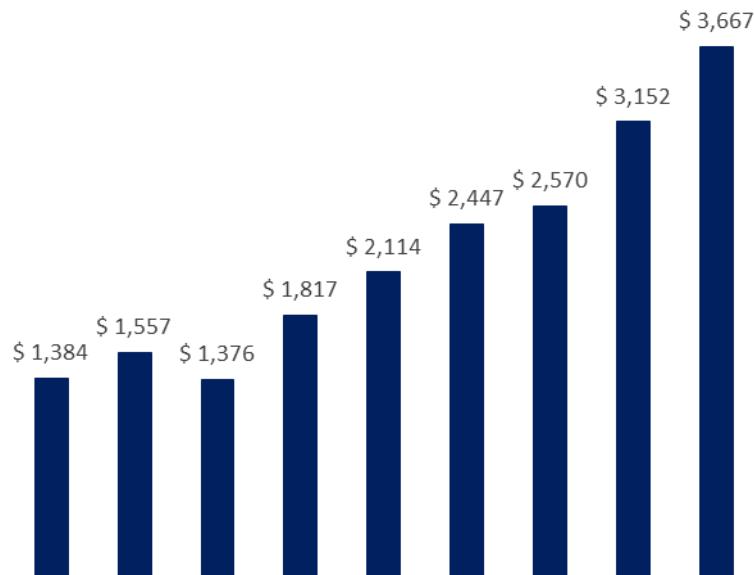


YoY growth 12.1% 12.8% 22.7% 26.0% 23.5% 22.8% 20.3% 23.4% 31.1%

Q3 2017 Payments Operating Metrics

Total Payment Volume

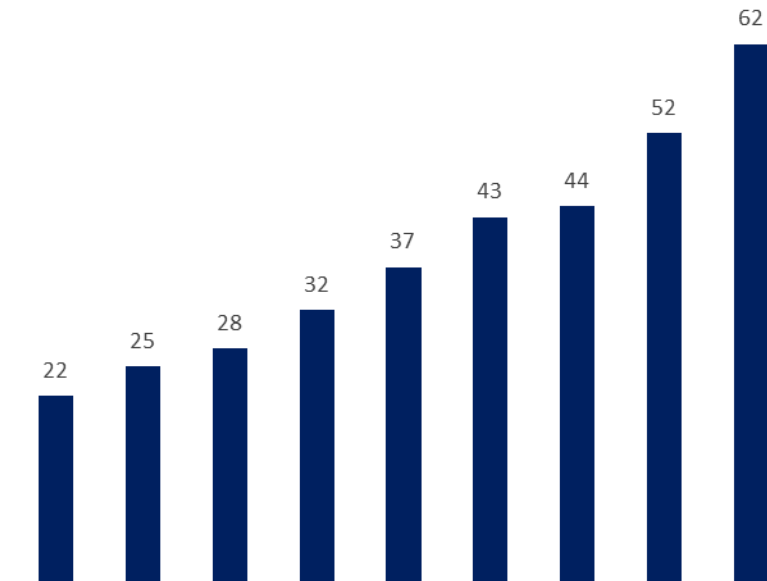
U\$ Million



	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17
YoY growth	42.0%	41.6%	32.6%	50.6%	52.6%	57.5%	86.8%	73.5%	73.5%
YoY growth LC	94.8%	97.0%	107.9%	101.5%	84.5%	83.5%	81.3%	76.1%	86.0%

Total Payment Transactions

Million

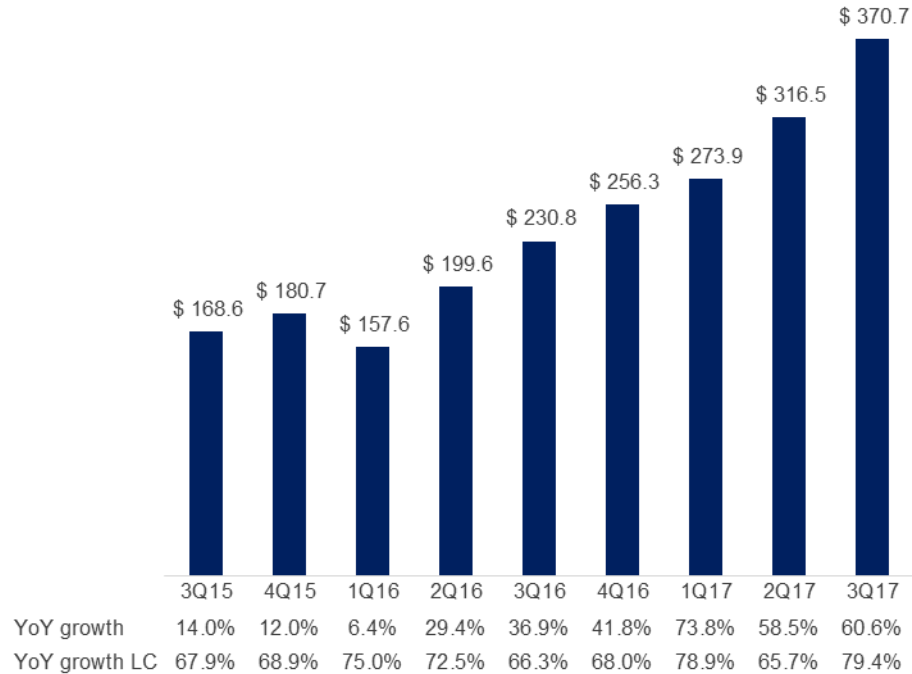


	3Q15	4Q15	1Q16	2Q16	3Q16	4Q16	1Q17	2Q17	3Q17
YoY growth	75.2%	78.6%	85.5%	76.0%	67.6%	67.1%	59.3%	63.3%	69.4%

Q3 2017 Net Revenues

Net Revenues

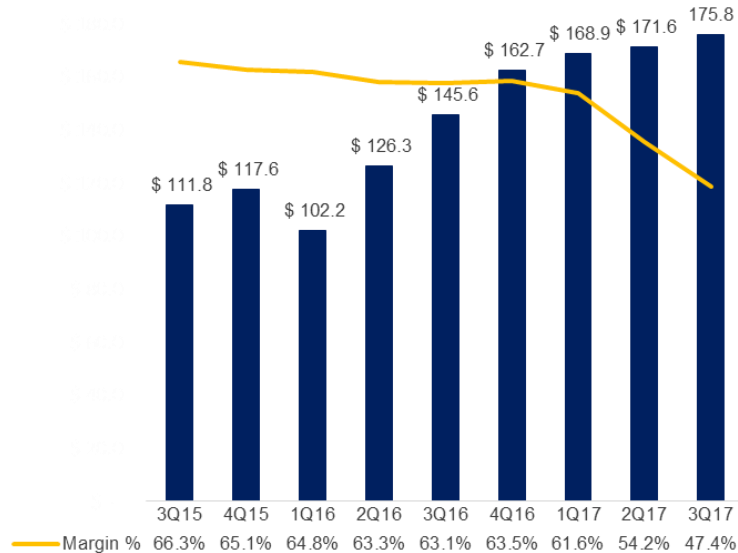
U\$ Million



Q3 2017 Gross Profit & EBIT

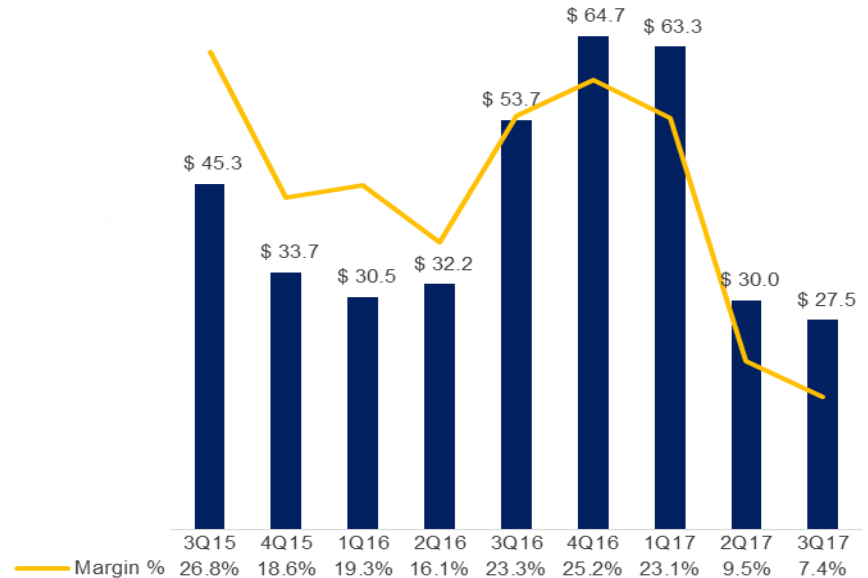
Gross Profit

U\$ Million



EBIT

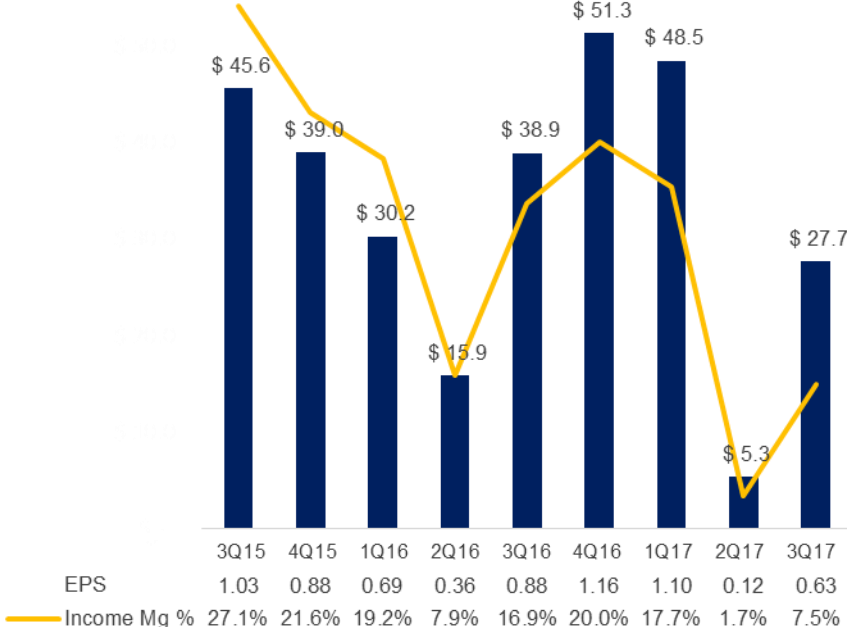
U\$ Million



Q3 2017 Net Income & EPS

Net Income

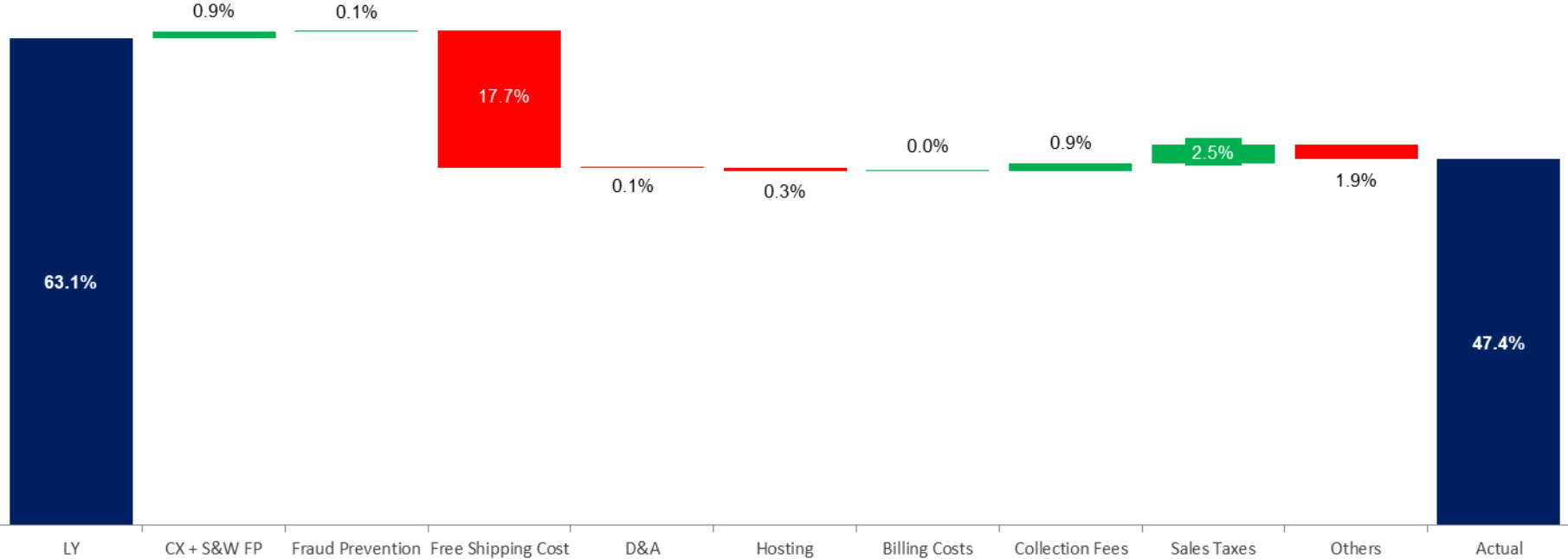
US\$ Million



Source: company data

Q3 2017 Gross Margin vs. Last Year

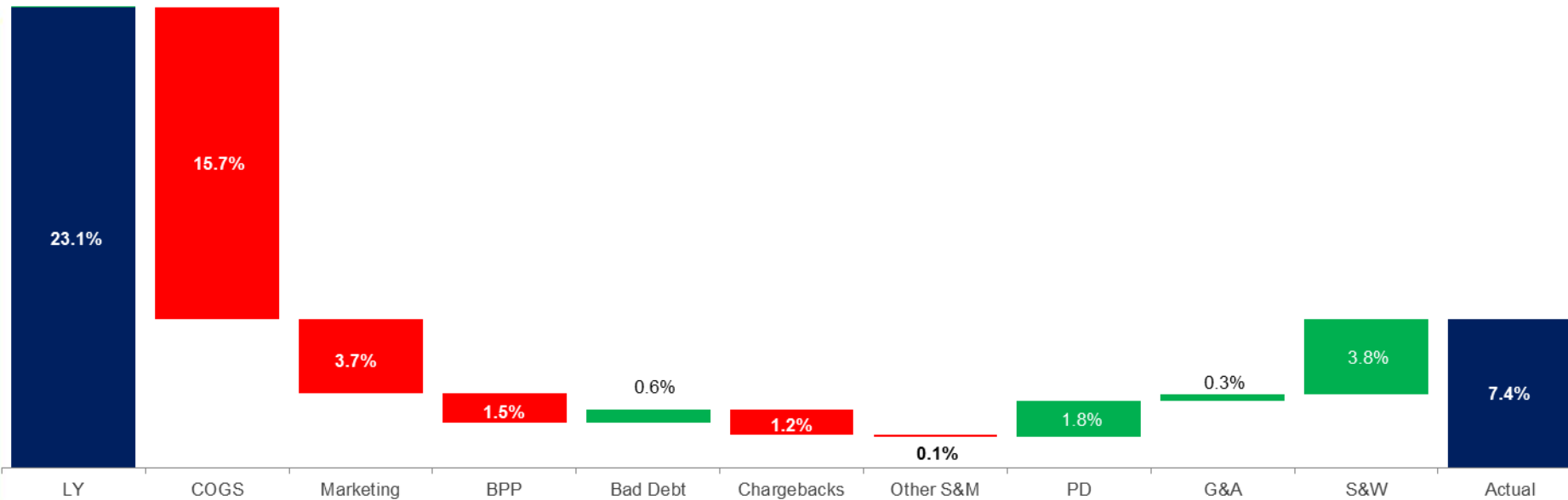
- Gross margin contracted to 47.7% attributed to higher investments in our free shipping initiatives in Brazil, Mexico, Colombia, and Chile.



Source: company data

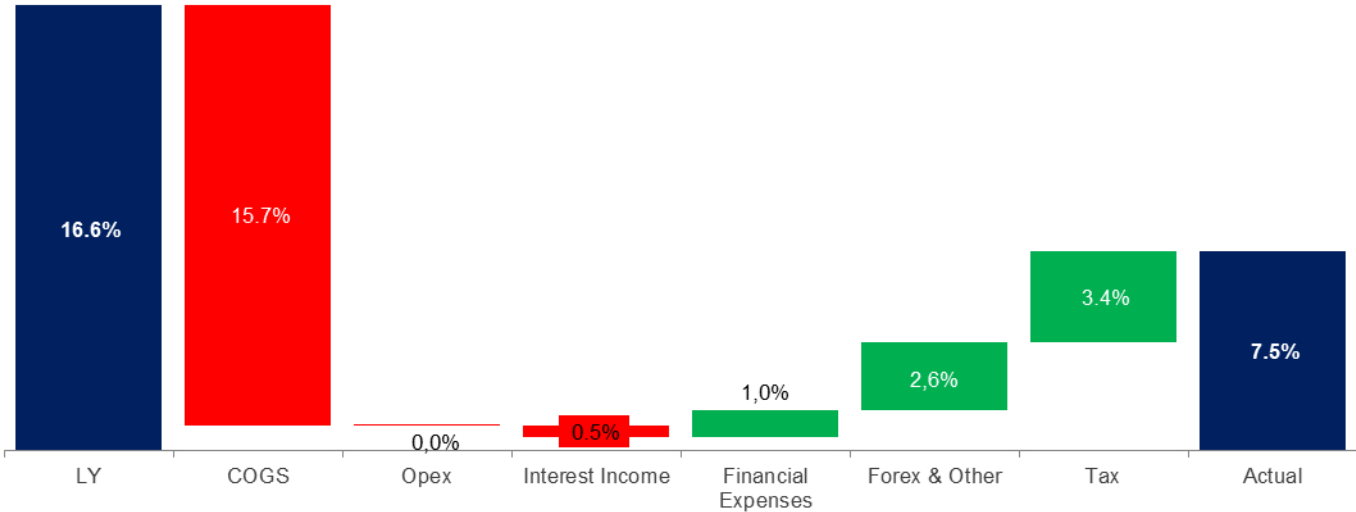
Q3 2017 EBIT Margin vs. Last Year

- EBIT was down 49% YoY. Higher marketing investments were offset by scale gains in Product Development and G&A. EBIT decline YoY attributed to gross margin contraction



Q3 2017 Net Income Margin vs. Last Year

- Net Income decreased 29% YoY to \$27.7M. Gross margin contraction was partially offset by financial expenses and lower taxable income.





**mercado
libre**