

February  
2014



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# Fourth Quarter 2013 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 fourth quarter 2014 earnings press release available on our investor relations website

All of the information included in this presentation is updated as of February 27th, 2014. Except as may be required by applicable law, we assume no obligation to publicly update or revise our statements.





## Q4 2013 Highlights



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### Key Trends

- Vibrant marketplace growth driven by innovation and secular tailwinds
- Strong performing payments, both on and off platform, as we continue to leverage our increasingly recognized MercadoPago brand
- Widespread revenue acceleration led by our largest market: Brazil
- Good scale in our business model



### Continued progress on strategic initiatives

- MercadoPago grew its on-platform penetration YoY and QoQ: Brazil & Argentina up 10pp YoY in Dec
- Off-platform payments accelerate and continue to outpace all other BUs
- Official Stores for large brands double in Q4, reaching 34 total by year end
- Mobile extremely accretive and gaining share at a fast pace: 15% of new users, 12% of GMVe
- MercadoEnvios shipped >5% of our Brazilian and Argentine sold items in Q4
- Customer Experience keeps making strides: fourth quarter NPS ended at the highest level of the year

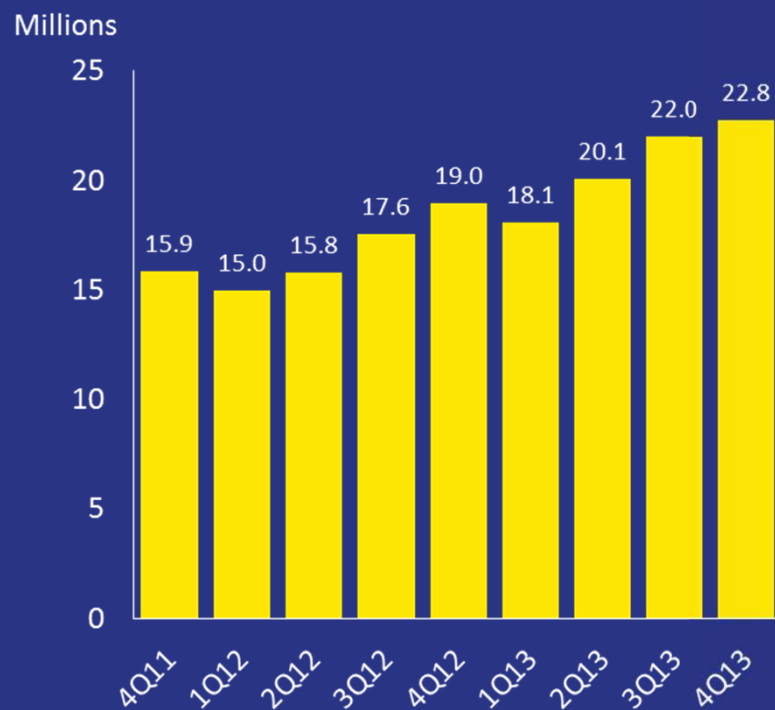




# Core Operating Metrics

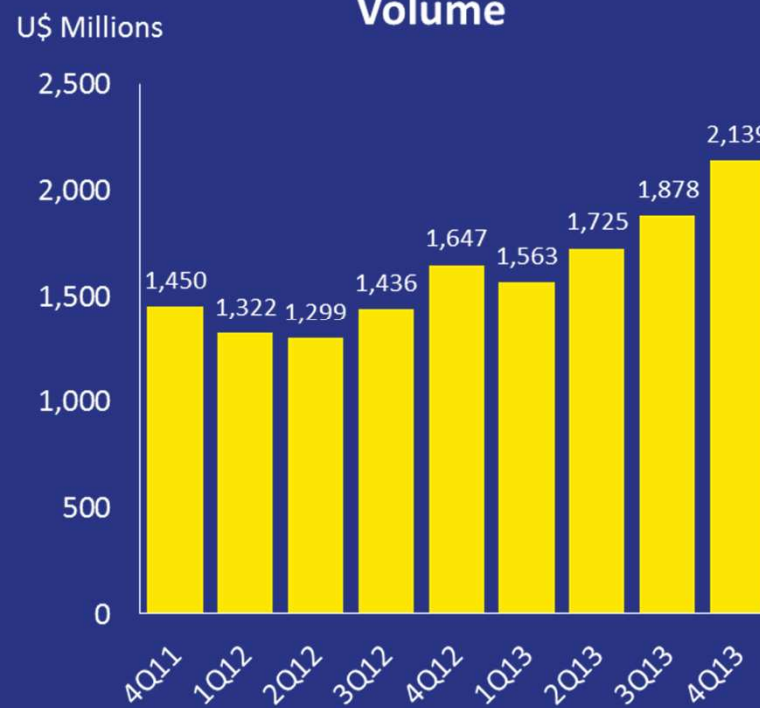


## Items Sold



YoY Growth	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13
	41%	38%	36%	22%	19%	20%	27%	25%	20%

## Gross Merchandise Volume



YoY Reported USD growth	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13
	47%	39%	22%	7%	14%	18%	33%	31%	30%
YoY Constant USD growth	54%	45%	37%	20%	21%	30%	45%	49%	49%



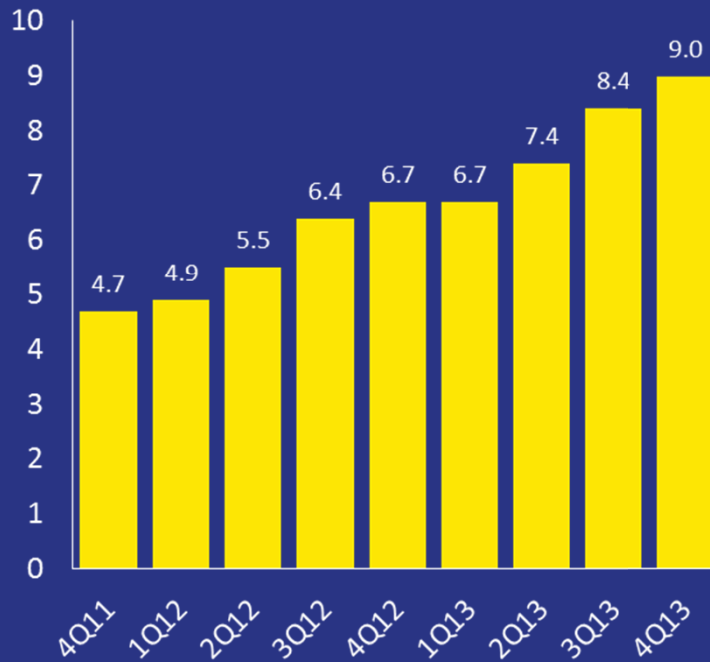


# Payments Operating Metrics



### Total Payment Transactions

Millions

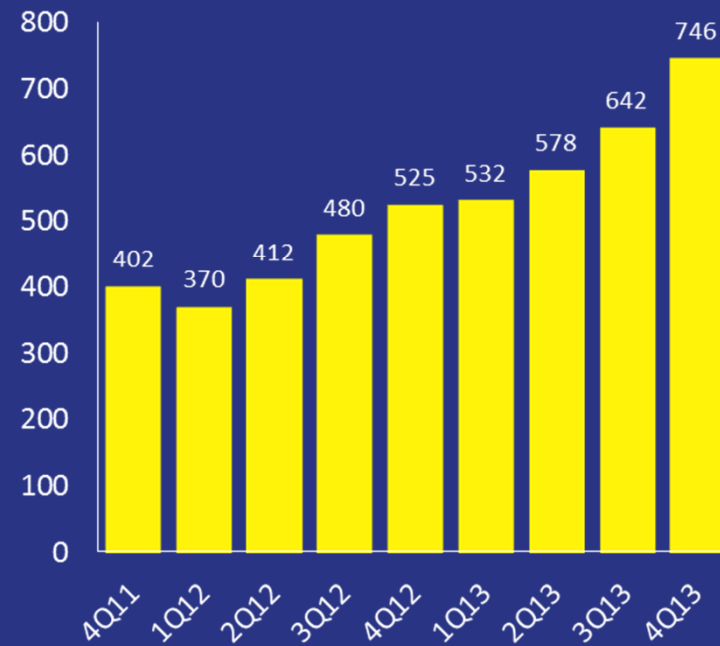


YoY Growth

95% 85% 78% 65% 43% 38% 35% 32% 34%

### Total Payment Volume

U\$ Millions



YoY Reported USD growth

70% 51% 39% 30% 30% 44% 40% 34% 42%

YoY Constant USD growth

81% 61% 64% 55% 47% 62% 54% 55% 66%



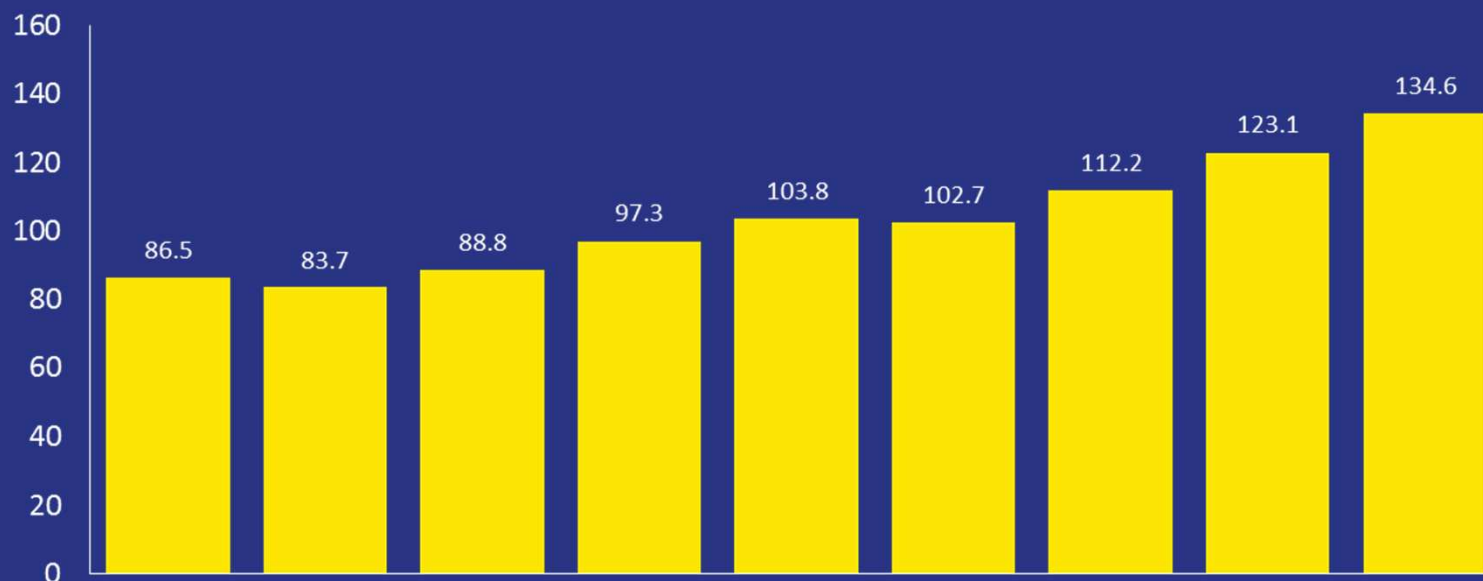


# Net Revenues



## Net Revenues

U\$ Millions



	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13
YoY Reported USD Growth	39%	36%	28%	19%	20%	23%	26%	27%	30%
YoY Constant USD Growth	46%	44%	47%	37%	31%	36%	38%	45%	50%



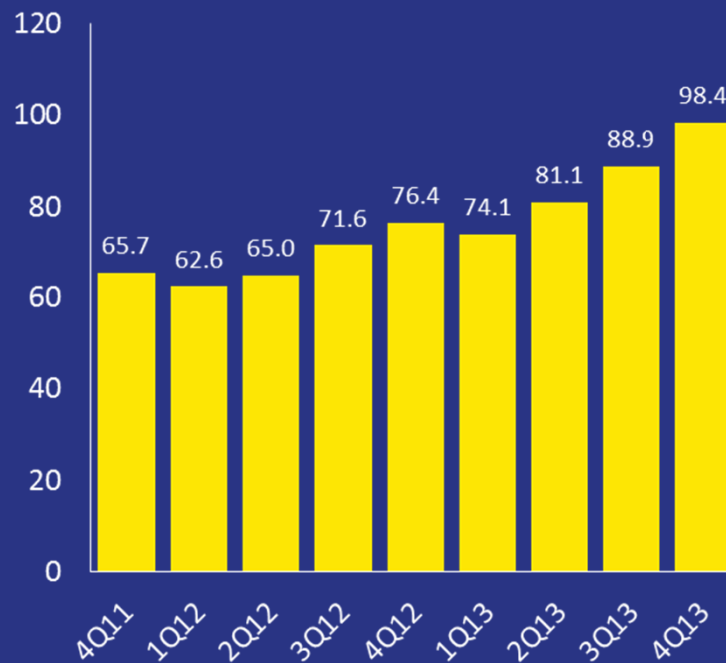


# Gross Profit & EBIT



## Gross Profit

U\$ Millions

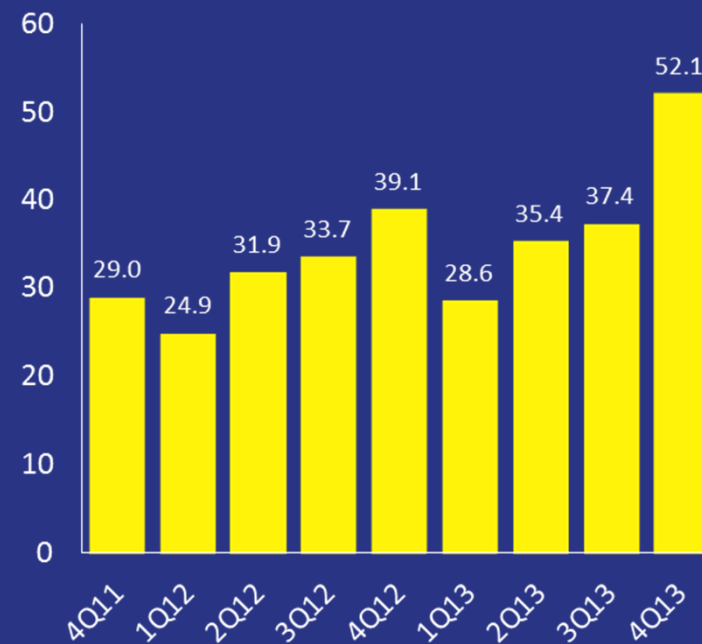


Gross Margin

76% 75% 73% 74% 74% 72% 72% 72% 73%

## EBIT

U\$ Millions



EBIT Margin

33% 30% 36% 35% 38% 28% 32% 30% 39%



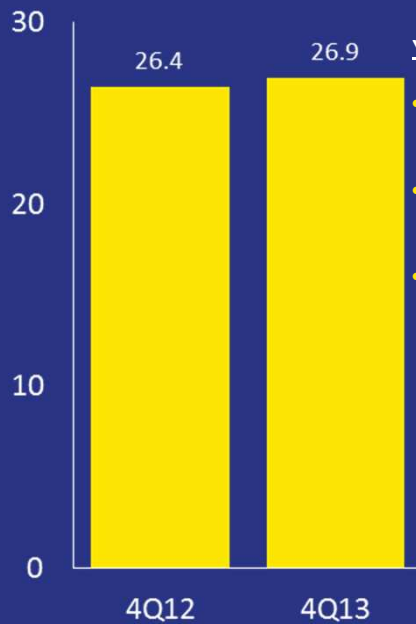


# COGS & OPEX



## COGS

% of Revenues

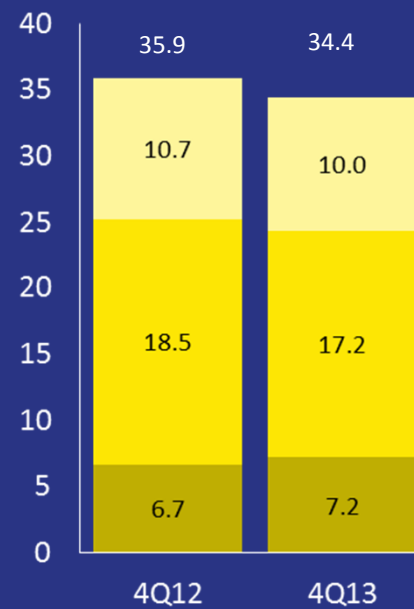


**YoY change:**

- +45 bps: increased investments in fraud prevention
- +90 bps: increased collection fees due to MP penetration
- -90 bps: scale in Customer Experience, hosting & taxes

## OPEX

% of Revenues



**YoY change:**

- -70 bps primarily driven by scaling salaries
- -130 bps: improved chargebacks
- -54 bps: scaling salaries, mostly offset by marketing spend
- 51 bps: increased investment in our product, partially offset by scale in salaries

■ General & Administrative   ■ Sales & Marketing   ■ Product Development







# Net Income & EPS



## Net Income

U\$ Millions

