

August
2013



**mercado
libre**

Second 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 second quarter 2013 earnings press release available on our investor relations website

All of the information included in this presentation is updated as of August 1st, 2013. Except as may be required by applicable law, we assume no obligation to publicly update or revise our statements.



Q2 2013 Highlights



Reacceleration of key metrics

- Growth rates of New Users, Successful Items, Unique Buyers, Unique Sellers, and Listings have all increased vs. Q1 2013
- Net Revenue at \$112.2M, 26% YoY (38% in Local Currencies)
- Net Income at \$30.0M, an 18% YoY (30% in Local Currencies), with EPS of \$0.67



Continued progress on strategic initiatives

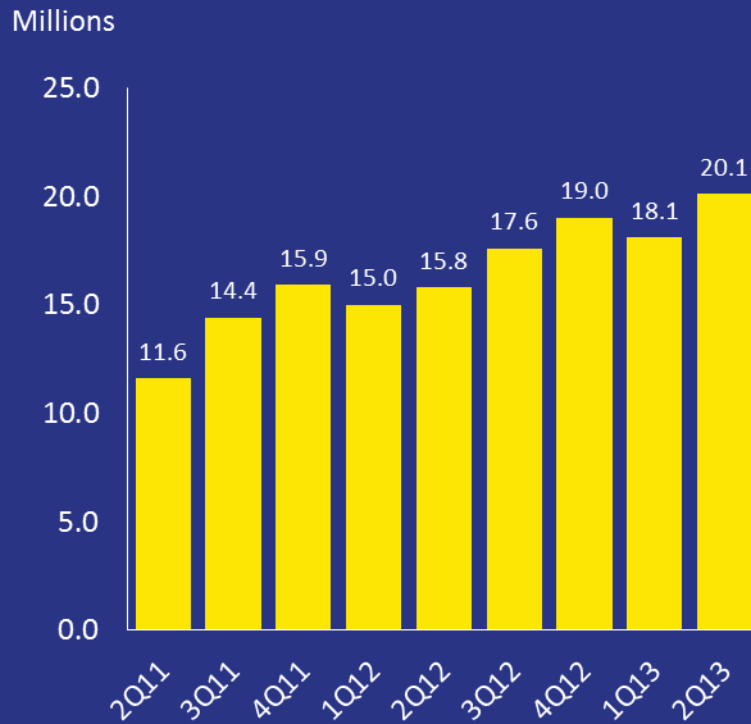
- Good results from our “Chequeaste” TV Campaign
- Continued Diversification: apparel, home & garden, industrial and office supplies, toys and games, and autoparts all gaining share
- Product Improvements: Search optimization, deal discovery, and faster and clearer product page
- Mobile: continues to gain share at a quick pace
- Shipping: over 10,000 unique shippers in June, launched Beta same-day delivery for Buenos Aires
- Re-launched MercadoPago brand and updated user interface
- We continue adding retailers , developers and third parties to our platform via APIs



Core Operating Metrics

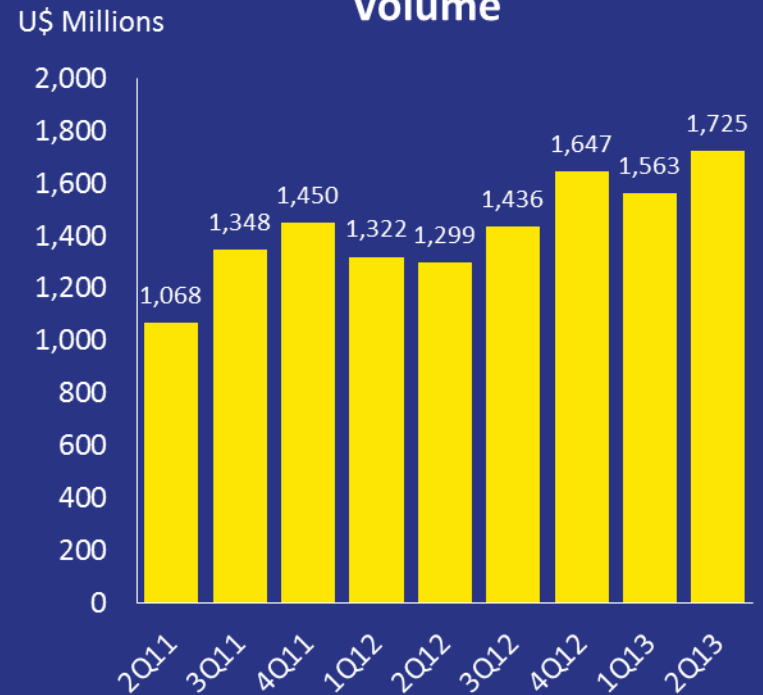


Items Sold



YoY Growth	2Q11	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13
	26%	38%	41%	38%	36%	22%	19%	20%	27%

Gross Merchandise Volume



YoY Reported USD growth	2Q11	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13
	34%	52%	47%	39%	22%	7%	14%	18%	33%
YoY Constant USD growth	24%	48%	54%	45%	37%	20%	21%	30%	45%

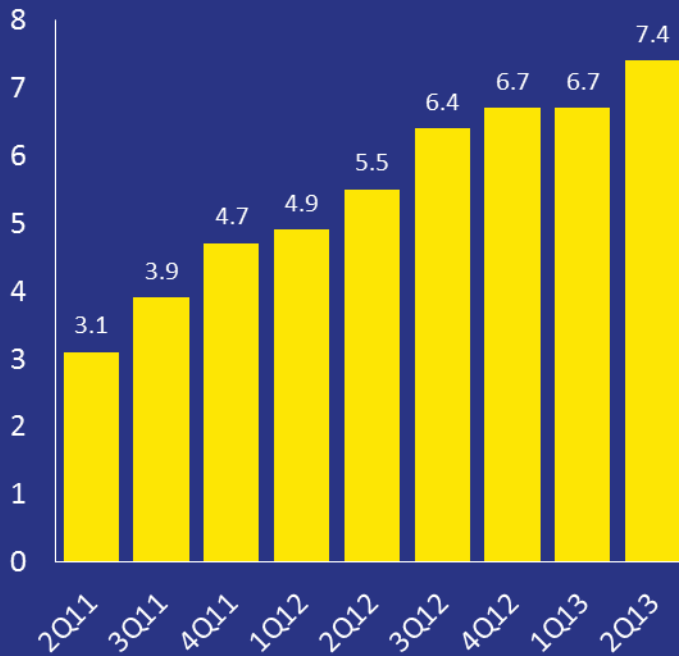


Payments Operating Metrics



Total Payment Transactions

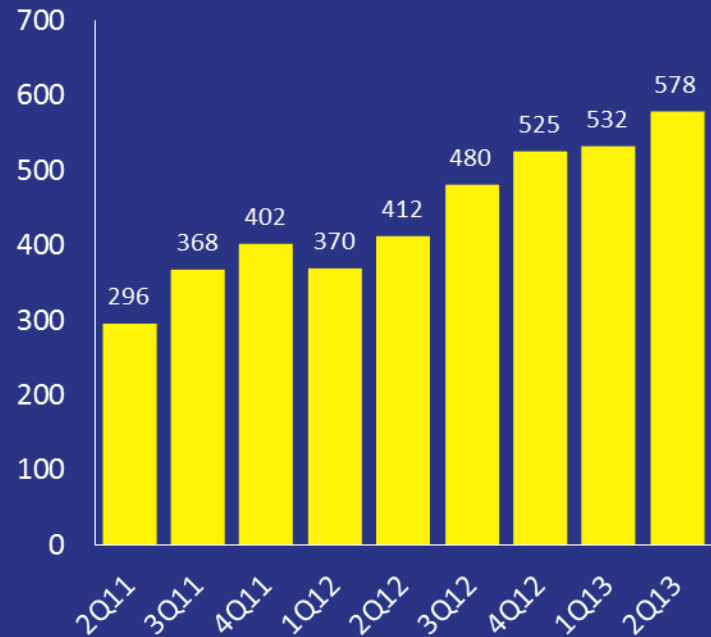
Millions



YoY Growth	2Q11	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13
	140%	103%	95%	85%	78%	65%	43%	38%	35%

Total Payment Volume

US\$ Millions



YoY Reported USD growth	2Q11	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13
	100%	94%	70%	51%	39%	30%	30%	44%	40%
YoY Constant USD growth	83%	86%	81%	61%	64%	55%	47%	62%	54%

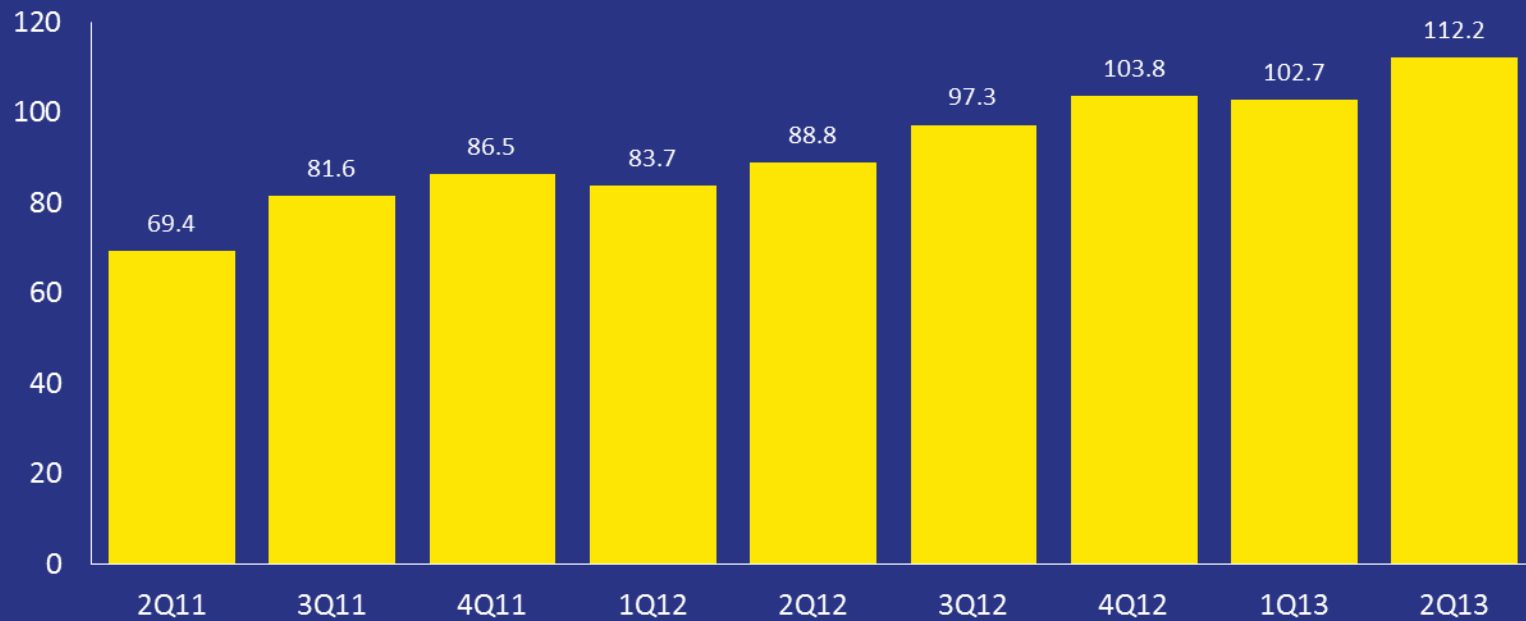


Net Revenues



Net Revenues

U\$ Millions



YoY Reported USD Growth

2Q11	32%	46%	39%	36%	28%	19%	20%	23%	26%
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YoY Constant USD Growth

2Q11	22%	41%	46%	44%	47%	37%	31%	36%	38%
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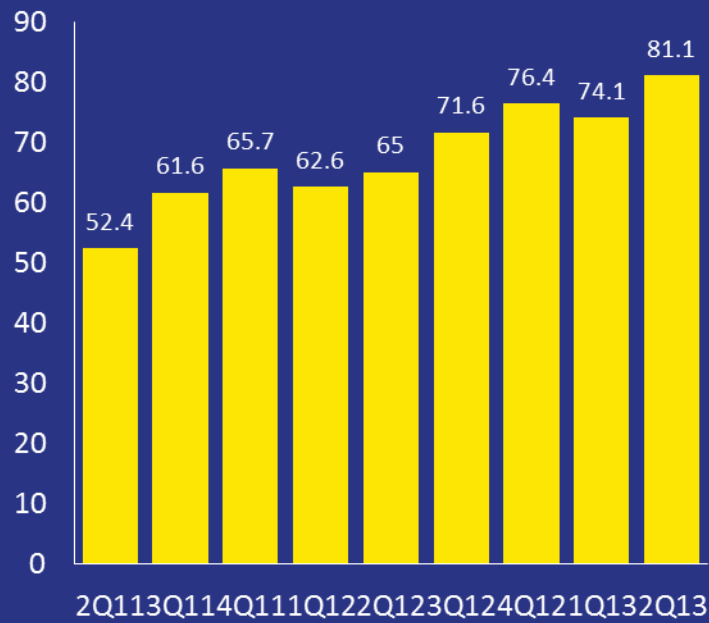


Gross Profit & EBIT



Gross Profit

U\$ Millions

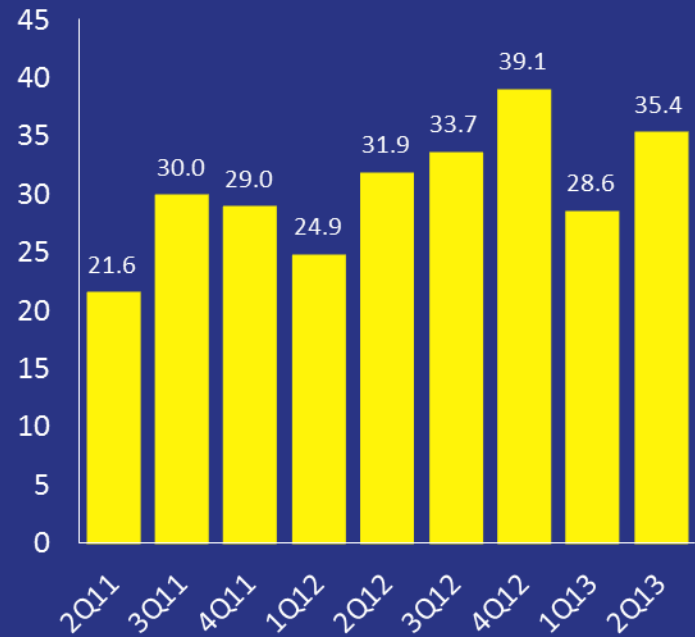


Gross Margin

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

EBIT

U\$ Millions



EBIT Margin

31% 37% 33% 30% 36% 35% 38% 28% 32%

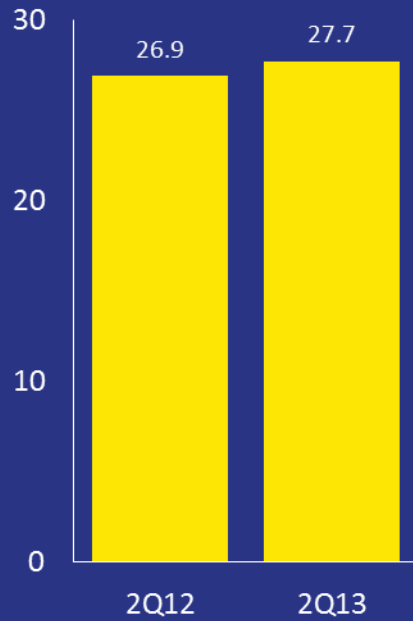


COGS & OPEX



COGS

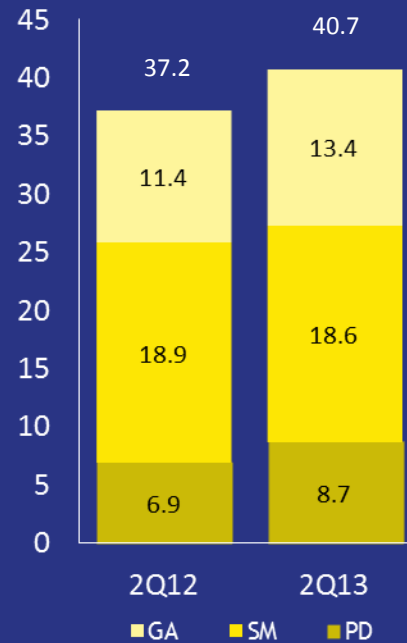
% of Revenues



- Payments Growth offset by cost efficiencies
- 81 bps: increased investments in fraud prevention and trust & safety efforts

OPEX

% of Revenues



- 172 bps: Due to increase in accounting for long-term retention plan
- 349 bps due to off-line marketing expenditures
- -255 bps of improvements due to chargebacks
- -93 bps due to improvements in the bad debt ratio
- 81 bps: Due to increase in accounting for long-term retention plan

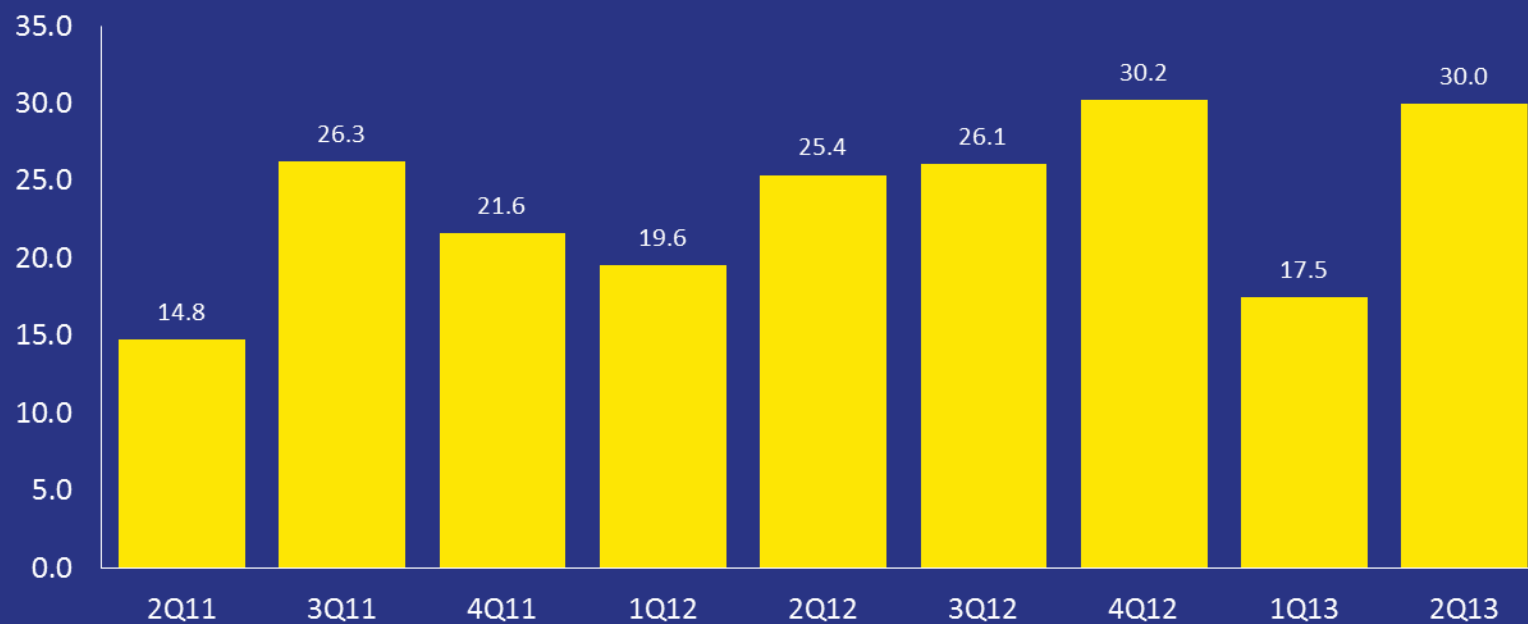


Net Income & EPS



Net Income

U\$ Millions



Net Income Margin

2Q11 3Q11 4Q11 1Q12 2Q12 3Q12 4Q12 1Q13 2Q13

21% 32% 25% 23% 29% 27% 29% 17% 27%

EPS

0.34 0.60 0.47 0.45 0.57 0.59 0.69 0.40 0.67

