E-Commerce as a pillar of Regional Development
Our ecosystem keeps growing
With sustainable growth in more than 19 countries

Mexico  Colombia  Peru  Venezuela  Brazil  Argentina  Uruguay  Paraguay  Chile  Bolivia  Guatemala  Ecuador  Dominican Republic  Honduras  Nicaragua  El Salvador  Costa Rica  Panamá  Portugal
17 years developing eCommerce in LatAm

- Fundación en Agosto '99
- $40M segunda ronda: Goldman, GE, JPM, Santander.
- 4 mercados adicionales
- Premio Mejor sitio web Brasil
-麂eXame
- Compra de Lokau.com
- Mercado Peseano
- Adquisición Tu Carro y Tu Inmueble
- Mercado Centro America
- Adquisición DaRenta: Rentabilidad
- IPO Great Place to Work
- Oracle Excellence Awards
- Lanzamiento Mercado Envios
- Lanzamiento MercadoLibre
- Lanzamiento Clasificados Autos
- Acuerdo con eBay
- IPO Great Place to Work
- Oracle Innovation Award
- Compra autoplaza.com.mx
- 100M Net Income
- Marcas más buscadas: Google,
- AdAge "36 Hottest Brands"
Leader in the region

We are the leading technology company developing commerce solutions in Latin America since 1999.

+ 165MM
Registered users

1º
Most visited retail site in Latin America

8º
Most visited retail site in the world
This is our vision
Building the foundation to Build a 3B Company by FY20

Our numbers

~70M items listed:

- 95% Fixed price
- 90% New products
- 85% B2C transactions

7.8 Million sellers
23 Million buyers

Source: MercadoLibre metrics

In 1 second
+ 4,000 search
+ 6 purchases
### Mercado Libre inc.

<table>
<thead>
<tr>
<th>Category</th>
<th>Q2-2016</th>
<th>Q2-2015</th>
<th>YOY</th>
<th>YOY local currency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Users</td>
<td>158 MM</td>
<td>132 MM</td>
<td>20%</td>
<td>68%</td>
</tr>
<tr>
<td>Items sold</td>
<td>43 MM</td>
<td>30 MM</td>
<td>45%</td>
<td></td>
</tr>
<tr>
<td>Sold volume</td>
<td>US$2 BI</td>
<td>US$1,6 BI</td>
<td>21%</td>
<td>61%</td>
</tr>
<tr>
<td>Net Revenue</td>
<td>US$199 MM</td>
<td>US$161 MM</td>
<td>29%</td>
<td></td>
</tr>
<tr>
<td>Mercado Pago payment volume</td>
<td>US$1,8 BI</td>
<td>US$1,2 BI</td>
<td>51%</td>
<td>102%</td>
</tr>
<tr>
<td>Mercado Pago transactions</td>
<td>32 MM</td>
<td>18 MM</td>
<td>76%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Mercado Libre Q2-16
An integrated online payments solution. Designed to facilitate transactions by providing a mechanism that allows our users to securely, easily and promptly send and receive payments online.

80 MM
total payment transactions

US$ 5.18B
total payment volume
A platform where sellers can advertise their products and shops as well as offer the best logistical solution for their customer’s needs.

37.5 MM shipments 60% of platform operations
Total items sold by country (millions)

- Argentina: 2.5, 3.5, 4.6, 6.5, 8.7, 0, 11, 13, 16, 19, 2, 30
  - 2016 vs 2015: +50%

- Brazil: 7.6, 8.9, 10, 1, 2, 4, 13, 17, 24, 30, 9, 5, 50, 9
  - 2016 vs 2015: +54%

- Mexico: 1.8, 2.3, 2.7, 3.8, 4.8, 6, 7.3, 8, 8.1, 9, 1
  - 2016 vs 2015: +38%

- Colombia: 0.5, 0.5, 0.6, 0.9, 1.2, 1.5, 2.1, 2.7, 2.8, 2.9
  - 2016 vs 2015: +38%

- Uruguay: 0.1, 0.2, 0.3, 0.7, 0.9, 1.2, 1.5, 1.8, 2, 2.3
  - 2016 vs 2015: +23%

- Chile: 0.2, 0.3, 0.4, 1, 1.3, 1.7, 2.3
  - 2016 vs 2015: +15%

- Venezuela: 1.0, 1.4, 1.9, 2.5, 3.9, 5.7, 7.6, 9.1, 13, 4
  - 2016 vs 2015: +18%
This is our vision
Building the foundation to Build a 3B Company by FY20

Gross merchandise volume (US$Billions)

Total sales value
*Excluding Venezuela

CAGR +19.3%

1.8 2.3 3.0 4.2 4.7 5.5 5.7 6.2

2016 YTD +21%
E-vs Commerce

94% of Argentine e-buyers used MercadoLibre.

E-commerce still accounts for a small share of total commerce (on- and offline): potential for growth.

E-commerce is the most dynamic activity in Argentina: 70.8% growth in 2014-2015 (YoY).
E-commerce vs GDP

In 2015, the volume of operations facilitated by the platform reached 0.16% of the aggregated GDPs of Argentina, Brazil and Mexico.

In LA, e-commerce represents 2.2% of retail, whereas it represents 3.1% in Brazil, 1.9% in Argentina and 1.4% in Mexico.
Toward more transparent economies

In 2015 alone, Mercado Libre paid USD 186 million in taxes. (52% more than in 2013)

Argentina and Brazil represent 86.7% of that.

This tendency confirms that the development of the e-commerce and its different components increases the tax capacity of the system.

As such, Mercado Pago drives the formalization of the economy.

Mercado Libre builds up as a tax payer

447 millions USD in taxes between 2013 and 2015

52% growth from 2013 to 2015

86% paid in Argentina and Brazil
Local impact

Throughout Latin America, an estimated 372,205 people take part in business on Mercado Libre’s platform where they obtain an important part of their income.

97% Latin American professionals and SMEs

782 million USD in contracts with suppliers

Mercado Libre believes in local suppliers
Commercial and Financial inclusion

Mercado Shops gives away accounts that include tools for SMEs to build their own e-commerce.

Mercado Pago allowed sellers to accept credit card payments and is now working on innovative means of payment.

Mercado Pago also expanded monthly payments to Latin America and gives credit to SMEs to build up their working capital.

ELECTRONIC PAYMENTS: INNOVATE TO CONNECT AND INCLUDE

- Technology reduces fraud and makes transactions quicker and simpler.
- Negotiate to obtain the best terms for monthly payments.
- Use social connections on the platform to convey credits and expand the working capital for sellers and SMEs.
- Innovate to make cellphones the key to solid financial inclusion.
You have a leading role

Principles and flexibility
Build a framework that is based on principles that will remain applicable over time and foster innovation.

Net neutrality
Data Privacy
Cross-border data flows
Standardization
Intermediary Liability
Entrepreneurship
Local Content
Financial Inclusion
Taxation
Logistics
In summary:

- Strong SME development
- Income generation for companies and families
- Employment
Thank You

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