

MERCADOLIBRE INC  
Form 424B1  
August 10, 2007  
Table of Contents

Filed Pursuant to Rule 424(b)(1)  
Registration No. 333-142880

Prospectus

**16,077,185 shares**

## MERCADOLIBRE, INC.

### Common stock

This is the initial public offering of our common stock. Of the shares of common stock to be sold in the offering, we are selling 2,608,696 shares and the selling stockholders identified in this prospectus are selling 13,468,489 shares. We will not receive any of the proceeds from the shares of common stock being sold by the selling stockholders. The initial public offering price is \$18.00 per share.

Prior to the offering, there has been no public market for our common stock. We have been approved for listing of our common stock on the Nasdaq Global Market under the symbol MELI.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed on the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.**

	Per share	Total
Initial public offering price	\$ 18.00	\$ 289,389,330
Underwriting discount	\$ 0.81	\$ 13,022,520
Proceeds to MercadoLibre, Inc., before expenses	\$ 17.19	\$ 44,843,484
Proceeds to the selling stockholders, before expenses	\$ 17.19	\$ 231,523,326

We and the selling stockholders have granted the underwriters an option for a period of 30 days to purchase from us and them an aggregate of up to 2,411,577 additional shares of our common stock to cover over-allotments, if any.

**Investing in our common stock involves a high degree of risk. See Risk factors beginning on page 10 to read about certain factors you should consider before buying shares of our common stock.**

The underwriters expect to deliver the shares on or about August 15, 2007.

**JPMorgan**

**Merrill Lynch & Co.**

**RBC CAPITAL MARKETS**

**Pacific Crest Securities**

August 9, 2007

Table of Contents**Table of contents**

	<b>Page</b>
<u>Prospectus summary</u>	1
<u>Risk factors</u>	10
<u>Forward-looking statements</u>	34
<u>Use of proceeds</u>	35
<u>Dividend policy</u>	35
<u>Capitalization</u>	36
<u>Dilution</u>	37
<u>Selected financial and other data</u>	39
<u>Management's discussion and analysis of financial condition and results of operations</u>	42
<u>The Latin American Internet industry</u>	68
<u>Business</u>	71
<u>Management</u>	102
<u>Compensation discussion and analysis</u>	108
<u>Principal stockholders</u>	116
<u>Selling stockholders</u>	118
<u>Certain relationships and related transactions</u>	122
<u>Description of capital stock</u>	125
<u>Shares eligible for future sale</u>	130
<u>Certain United States tax consequences to non-U.S. holders</u>	133
<u>Underwriting</u>	136
<u>Legal matters</u>	143
<u>Experts</u>	143
<u>Additional information</u>	143
<u>Index to financial statements</u>	F-1

---

**You should rely only on the information contained in this prospectus. We and the underwriters have not authorized anyone to provide you with information that is different from or additional to, that contained in this prospectus. This prospectus may only be used where it is legal to sell our common stock. The information in this prospectus may only be accurate on the date of this prospectus.**

**We have not undertaken any efforts to qualify this offering for offers to individual investors in any jurisdiction outside the United States. Therefore, individual investors located outside the United States should not expect to be eligible to participate in this offering.**

---

*Definitions.* Unless otherwise indicated, the terms we, us, our and company refer to MercadoLibre, Inc. and its consolidated subsidiaries. References in this prospectus to \$ or U.S.\$ are to U.S. dollars.

*Brands.* MercadoLibre and MercadoPago are brands that belong to us. This prospectus also includes trademarks, trade names and trade dress of other companies. Use or display by us of other parties' trademarks, trade names or trade dress or products is not intended to and does not imply a relationship with, or endorsement or sponsorship of us by, the trademark, trade name or trade dress owners. Solely for the convenience of the reader, we refer to our brands in this

**Table of Contents**

prospectus without the ® symbol, but these references are not intended to indicate in any way that we will not assert our rights to these brands to the fullest extent permitted by law.

*Market position.* We make statements in this prospectus about our competitive position and market share in, and the market size of, the Internet and e-commerce industries in certain Latin American countries. Market data and other statistical information used throughout this prospectus are based on independent industry publications, government publications, reports by market research firms and other published independent sources that we believe are reliable. Some data are also based on our estimates, which are derived from our review of internal surveys and independent sources. We have made these statements on the basis of statistics and other information from third-party sources that we believe are reliable. Although we have no reason to believe that any of this information or these reports are inaccurate in any material respect, neither we nor the selling stockholders, nor the underwriters have independently verified the competitive position, market share and market size or market growth data provided by third parties or by industry or general publications. None of the publications, reports, or other published industry sources referred to in this prospectus were commissioned by us or prepared at our request, and we have not sought or obtained the consent of any of these sources to include such market data in this prospectus.

*Rounding.* Certain figures included in this prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Table of Contents

## Prospectus summary

*This summary highlights information contained elsewhere in this prospectus. This summary is not complete and does not contain all of the information you should consider before investing in our common stock. You should read the entire prospectus carefully before investing in our common stock, especially the risks of investing in our common stock discussed under Risk factors and our consolidated financial statements and their related notes included elsewhere in this prospectus.*

### The company

We host the largest online trading platform in Latin America, called MercadoLibre and located at [www.mercadolibre.com](http://www.mercadolibre.com). We are market leaders in e-commerce in each of Argentina, Brazil, Chile, Colombia, Ecuador, Mexico, Peru, Uruguay and Venezuela, based on unique visitors and page views during 2006. Additionally, we have recently launched online trading platforms in Costa Rica, the Dominican Republic and Panama. With a market of over 550 million people and a region with one of the world's fastest-growing Internet penetration rates, we provide buyers and sellers a robust online trading environment that fosters the development of a large and growing e-commerce community. We offer a technological and commercial solution that addresses the distinctive cultural and geographic challenges of operating an online trading platform in Latin America.

We offer our users two principal services:

*The MercadoLibre marketplace:* The MercadoLibre marketplace is a fully-automated, topically-arranged and user-friendly online trading service. This service permits both businesses and individuals to list items and conduct their sales and purchases online in either a fixed-price or auction-based format. Additionally, through online classified advertisements, our registered users can also list and purchase motor vehicles, vessels, aircraft, real estate and services. Any Internet user can browse through the various products and services that are listed on our website and register with MercadoLibre to list, bid for and purchase items and services.

*The MercadoPago online payments solution:* To complement the MercadoLibre marketplace, we developed MercadoPago, an integrated online payments solution. MercadoPago is designed to facilitate transactions on the MercadoLibre marketplace by providing a mechanism that allows our users to securely, easily and promptly send and receive payments online. During the three months ended March 31, 2007, visitors to our website were able to browse an average of over 2.9 million total listings per month, organized by country, in over 2,000 different product categories. We believe that we have achieved a critical mass of active buyers, sellers and product listings in most of the countries where we operate and that our business can be readily scaled to handle increases in our user base and transaction volume. At March 31, 2007, we had 19.7 million confirmed registered MercadoLibre users. For 2006, we had 1.7 million unique sellers, 4.4 million unique buyers and 13.8 million successful items sold. During the three months ended March 31, 2007, we had 0.6 million unique sellers, 1.7 million unique buyers and 3.9 million successful items sold.

**Table of Contents**

We generate revenues from the MercadoLibre marketplace from listing fees, optional feature fees, final value fees and online advertising, and from MercadoPago from commissions for use of the service.

We achieved gross merchandise volume (which is a measure of the total value of goods and services bought and sold on the MercadoLibre marketplace excluding motor vehicles, vessels, aircraft and real estate) of \$1,075.1 million in 2006, an increase of approximately 76.9% compared to 2005. For the three months ended March 31, 2006 and 2007, our gross merchandise volume was \$217.8 million and \$312.5 million, respectively, which represented an increase of 43.5%. Since we commenced operations in 1999, we have consistently generated higher annual revenues over the prior year, and since 2005 we have generated positive net income and cash from operations. For 2006, we recognized net revenues of \$52.1 million, which represented a compounded annual growth rate of 102.8% from 2004 to 2006. For the three months ended March 31, 2007, our net revenues were \$16.5 million, which represented an increase of 49.8% compared to the same period in 2006. For 2006, our net income was approximately \$1.1 million. The following table sets forth, for the periods indicated, some of our principal consolidated financial and operational indicators:

(in millions)	Year ended December 31,			Three months ended March 31,	
	2004	2005	2006 (unaudited)	2006	2007
Net revenues	\$ 12.7	\$ 28.2	\$ 52.1	\$ 11.0	\$ 16.5
Income (loss) from operations	\$ (3.3)	\$ 0.8	\$ 5.4	\$ 0.8	\$ 2.9
Net income (loss)	\$ (2.2)	\$ 2.4	\$ 1.1	\$ 0.1	\$ 1.0
Gross merchandise volume(1)	\$ 299.3	\$ 607.7	\$ 1,075.1	\$ 217.8	\$ 312.5
Number of successful items sold(2)	5.1	8.4	13.8	2.8	3.9
Total payment volume(3)	\$ 8.9	\$ 38.5	\$ 89.0	\$ 16.5	\$ 26.6

(1) Measure of the total U.S. dollar sum of all transactions completed through the MercadoLibre marketplace, excluding motor vehicles, vessels, aircraft and real estate.

(2) Measure of the number of items that were sold through the MercadoLibre marketplace.

(3) Measure of the total U.S. dollar sum of all transactions paid for using MercadoPago.

On November 10, 2005, we acquired certain operations of a regional competitor in online trading, DeRemate.com Inc., including all of its operations in Brazil, Colombia, Ecuador, Mexico, Peru, Uruguay and Venezuela. See Business History of MercadoLibre for more information.

**Market opportunity**

We provide services to a region with one of the world's fastest growing Internet penetration rates. We were one of the initial entrants into the Latin American e-commerce market. The region, which consists of South America, Central America, the Caribbean and Mexico, is home to over 550 million people, or approximately 8.5% of the world's population. The International Monetary Fund estimates that Latin America's combined annual gross domestic product in 2006 was greater than \$2.9 trillion. Based on information released by InternetWorldStats.com, estimates for Internet penetration in Latin America at May 7, 2007 range from a high of 42.4% for Chile to 17.2% for Brazil and 6.5% for Panama with an average penetration of approximately 18.4%. Between the end of 2000 and May 7, 2007, InternetWorldStats.com estimates that Latin America's Internet user base increased approximately 466.2% with a compounded annual growth rate of 30.9%.

## **Table of Contents**

We believe that the Latin American market presents a significant opportunity for an Internet-based marketplace provider. E-commerce platforms offer advantages of scale, information availability and accessibility to markets, which address many of the inefficiencies associated with traditional offline trading in Latin America, such as limited access to information, high number of parties in distribution chains, limited inventory, and obstacles to efficient communication and interaction between market participants.

## **Competitive strengths**

We believe the following characteristics give us a competitive advantage in realizing the potential of our market opportunity:

***We have a strong brand and are one of the leaders in the Latin American e-commerce market.*** We were one of the initial entrants in the Latin American e-commerce market, and we host the leading online trading platform in the region based on unique visitors and page views. We have built strong brand awareness and a growing online community that provides our users with the advantages of a sizable network with a large number of participants in a single marketplace. In some countries, we operate the only large-scale online trading platform that covers a wide range of product and service categories.

***We operate a proven business model.*** Business models similar to ours have been successfully implemented in many countries around the world, most notably by one of our stockholders, eBay Inc., or eBay. We have had the advantage of working closely with eBay in exchanging industry best practices and developing and improving our services and strategy.

***Our business model offers significant economies of scale.*** Since we started operations in 1999, we have shown significant revenue growth from year to year. Our business model has substantial operating leverage because a significant portion of our costs are fixed, such that increases in revenues have resulted in higher margins year after year. From 2004 to 2006, our annual revenues increased from \$12.7 million to \$52.1 million, a 311.1% increase, while total costs and operating expenses grew from \$16.0 million to \$46.7 million, a 191.4% increase.

***Our product range and information is extensive.*** We offer our customers one of the broadest selections of products and product categories among e-commerce sites in Latin America. Our sites offer on average over 2.9 million total listings per month from a selection of over 2,000 different product categories. Our product selection ranges from traditional e-commerce items such as books, music, videos, electronics, computers, hardware, cameras and cellular telephones, to industrial goods and services, to real estate and contractor services. Our website offers an efficient shopping experience with extensive information, ratings and reviews on listed products.

***We provide creative and innovative solutions.*** We have developed creative and innovative solutions to the challenges of conducting e-commerce in Latin America. For example, in addition to offering sellers an auction-based format to sell an item, the MercadoLibre marketplace also offers a fixed-price alternative to respond to the current preferences in the region for fixed-price listings. In order to address the specific needs of buyers and sellers of motor vehicles, vessels, aircraft, real estate and certain services, items for which buyers will typically require a physical inspection or specific types of interaction, we offer our users an online classified advertisements service that is dedicated to these items. To complement the

## **Table of Contents**

MercadoLibre marketplace by providing an end-to-end service that facilitates the completion of transactions online, we have developed MercadoPago, which operates as an escrow service that allows our users to make and receive payments efficiently and securely online. In order to meet the demand for product information by potential purchasers, we have launched product content sections on our platform that encourage user ratings and product reviews, and provide product catalogues and purchasing guides. To improve the efficiency of our MercadoLibre marketplace, we launched a relevance-based algorithm to sort listings, which provides users with a superior buying experience by matching supply and demand.

***We have acquired considerable local market expertise.*** As one of the first Internet trading platforms in the countries where we operate, we have developed an understanding of the needs and preferences of our users and customers. We have historically used this expertise to develop services and products that cater to the unique needs of Latin American e-commerce clients.

***We have an experienced and highly qualified team.*** We are led by a team of highly qualified management and information technology professionals who run our business and websites from our offices in Buenos Aires, São Paulo, Mexico City, Caracas, Santiago and Bogotá. Our ten most senior management officers and our four most senior technology professionals joined our team in 2000 or before, which provides us with stable and seasoned leadership. The commitment, knowledge and track record of both our management and technology teams are valuable assets to our company. We believe that our corporate culture contributes to the high level of satisfaction of our employees and to the retention and commitment of our team.

## **Business strategy**

We seek to serve people in Latin America by offering an online marketplace that can improve the quality of life of those who use it, while creating significant value for our stockholders. We serve our buyers by giving them access to a broader and more affordable variety of products and services than those available on other online and offline venues. We serve our sellers by allowing them to reach a larger and more geographically diverse user base at a lower overall cost and investment than offline venues, which enables them to build businesses. More broadly, we strive to turn inefficient markets into more efficient ones and in that process we generate value. To achieve these objectives, we apply the following strategies:

***Continue to grow our business and maintain market leadership.*** We have focused and intend to continue to focus on growing our business by strengthening our position as the preferred online marketplace in each of the countries in which we operate. We also intend to grow our business and maintain our leadership by taking advantage of the expanding potential client base that has resulted from the growth of Internet penetration rates in Latin America. We intend to achieve these goals through organic growth, by entering into new countries and category segments, and, when possible and advantageous, through potential strategic acquisitions of key businesses and assets.

***Increase monetization of our transactions.*** We have focused and will continue to focus on improving the revenue generation capacity of our business by implementing initiatives designed to maximize the revenues we receive from transactions on our platform. Some of these initiatives include increasing our fee structure, introducing listing fees in the countries



## Table of Contents

where we do not currently charge them, and selling advertising and Internet marketing services on our platform. Additionally, we intend to take advantage of the natural synergies that exist between our marketplace and payments service by promoting increased use of MercadoPago so that it becomes the preferred online payment method on and off our platform.

**Enhance brand awareness.** We believe that enhancing awareness of the *MercadoLibre* brand is important to achieve our business objectives. We intend to continue to promote, advertise and increase recognition of our brand through a variety of marketing and promotional campaigns. These may include marketing agreements with companies with significant online presence and advertising through traditional media, such as cable television. We may also use leading websites and other media such as affiliate programs, banner advertisements and keyword searches. In addition, by enhancing our e-commerce community experience, we believe we will promote brand awareness through word of mouth.

**Focus on user loyalty and website enhancement.** We will continue to focus on increasing purchase frequency and transaction volumes from our existing users. We intend to do so by maintaining an appealing and convenient platform for e-commerce, improving the functionality of our website to deliver a more efficient user experience and providing our users with the help of a dedicated customer support department. We employ a number of programs aimed at fostering customer loyalty and repeated purchases, such as our MercadoLider loyalty program for high-volume sellers, our targeted and segmented direct marketing program, and MercadoPago special promotions awarding interest-free installments.

**Increase operational efficiency.** We believe that our business model is an advantage in competing with traditional online and off-line retailers as we do not require a physical showroom or storage locations and do not actually process the orders. We plan to maximize this advantage by achieving economies of scale, maintaining controls on overhead costs and reducing variable costs whenever possible.

**Continue to develop innovative and creative solutions.** We intend to continually enhance our trading platform in order to better serve both individuals and businesses that want to buy or sell goods and services online. We intend to continue investing to develop new tools and technologies that facilitate e-commerce on our platform and improve our users' online experience on MercadoLibre, while addressing the distinctive cultural, geographical and other challenges of online trading in Latin America.

**Serve our dynamic and active user community.** We seek to operate MercadoLibre as an open and trusted Web-based marketplace where users can access a broad market of products. We believe in treating our users with respect by applying a consistent set of policies that reinforce good online and offline behavior within our user community. We also seek to offer superior customer care in order to maintain the loyalty and satisfaction of our active user base.

---

We are a Delaware corporation incorporated on October 15, 1999. Our registered office is located at 15 East North Street, Dover, Delaware. Our principal executive offices are located at Tronador 4890, 8<sup>th</sup> floor, Buenos Aires, Argentina, C1430DNN. Our telephone number is +54 11 5352-8000 and our website is located at [www.mercadolibre.com](http://www.mercadolibre.com). Information contained on our website shall not constitute, or be deemed incorporated as, a part of this prospectus.

Table of Contents

## The offering

Issuer	MercadoLibre, Inc.
Common stock offered by us	2,608,696 shares.
Common stock offered by the selling stockholders	13,468,489 shares.
Common stock to be outstanding after this offering	43,835,263 shares (or 44,226,567 if the underwriters exercise in full their option to purchase 391,304 additional shares to cover over-allotments if any.)(1)
Offering price	The initial public offering price is \$18.00 per share.
Over-allotment option	We and the selling stockholders have granted the underwriters an option for a period of 30 days to purchase from us and them an aggregate of up to 2,411,577 additional shares of our common stock to cover any over-allotments.
Use of proceeds	<p>We expect to receive net proceeds of approximately \$42.8 million from our sale of 2,608,696 shares of common stock (or \$49.6 million if the underwriters exercise in full their option to purchase from us 391,304 additional shares to cover any over-allotments) after deducting the underwriting discount and estimated offering expenses payable by us. We intend to use the net proceeds of this offering to repay approximately \$9.3 million outstanding on a loan from eBay and the remainder for general corporate purposes. Pending these uses, we intend to invest our net proceeds from this offering in short-term, interest-bearing, investment-grade securities.</p> <p>We will not receive any of the sales proceeds associated with common stock offered by the selling stockholders.</p> <p>See Use of proceeds and Certain relationships and related transactions.</p>
Dividend policy	We have not declared or paid any cash dividends on our capital stock and do not anticipate paying any cash dividends in the foreseeable future. See Dividend policy and Description of capital stock.
Voting rights	Holders of our common stock will be entitled to one vote per share on all matters submitted to a vote of our stockholders.
Proposed Nasdaq Global Market symbol	We have been approved for listing of our common stock on the Nasdaq Global Market under the trading symbol MELI.



**Table of Contents**

Lock-up agreements                      In connection with this offering, we, the selling stockholders, our directors, executive officers and certain other stockholders will enter into lock-up agreements with the underwriters of this offering under which neither we nor they may, for a period of 180 days after the date of this prospectus, directly or indirectly sell, dispose of or hedge any shares of common stock or any securities convertible into or exchangeable for shares of common stock without the prior written consent of J.P. Morgan Securities Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated on behalf of the underwriters. See [Underwriting](#) for more information regarding lock-up agreements.

Certain relationships and related transactions                      Please read [Certain relationships and related transactions](#) for a discussion of business relationships between us and related parties and [Underwriting](#) for information regarding relationships between us and the underwriters.

Risk factors                                      You should carefully read and consider the information set forth under [Risk factors](#) and all other information set forth in this prospectus before investing in our common stock.

---

(1) Unless otherwise indicated, all information contained in this prospectus assumes no exercise of the underwriters' option to purchase from us up to 391,304 additional common shares and from the selling stockholders up to 2,020,273 additional common shares to cover over-allotments, if any.

Unless otherwise indicated, all information in this prospectus reflects the conversion of all outstanding shares of preferred stock and different classes of our common stock into one class of common stock upon completion of this offering. See [Description of capital stock](#).

Except as otherwise noted, the number of shares of our common stock to be outstanding after this offering excludes 149,111 shares reserved for future issuance upon exercise of outstanding options and 296,437 shares available for future awards under our stock option plan. See [Compensation discussion and analysis](#), [Our stock and stock option plans](#) and note 11 to our consolidated financial statements.

Table of Contents**Summary financial and other data**

The following summary financial data at December 31, 2005 and 2006 and for the years ended December 31, 2004, 2005 and 2006 have been derived from our audited consolidated financial statements and their related notes included elsewhere in this prospectus. The following summary financial data at December 31, 2004 have been derived from our audited consolidated financial statements for that year, which are not included in this prospectus. The following summary financial data at March 31, 2007 and for the three months ended March 31, 2006 and 2007 have been derived from our unaudited condensed consolidated financial statements included elsewhere in this prospectus. These statements include all normal recurring adjustments that management believes are necessary to fairly present our financial position, operating results and cash flows. Operating results for the three months ended March 31, 2007 are not necessarily indicative of the results that may be expected for the year ended December 31, 2007 or for any other period.

The following summary financial and other data is qualified by reference to and should be read in conjunction with Capitalization, Selected financial and other data, Management's discussion and analysis of financial condition and results of operations and our consolidated financial statements and related notes thereto included elsewhere in this prospectus.

(in millions)	Year ended December 31,			Three months ended March 31,	
	2004	2005	2006 (unaudited)	2006	2007
<b>Statement of operations data:</b>					
Net revenues	\$ 12.7	\$ 28.2	\$ 52.1	\$ 11.0	\$ 16.5
Cost of net revenues	(2.5)	(6.1)	(12.1)	(2.5)	(3.6)
Gross profit	10.2	22.1	40.0	8.5	12.9
Operating expenses:					
Product and technology development	(1.3)	(2.2)	(3.1)	(0.7)	(1.0)
Sales and marketing	(9.1)	(14.7)	(23.4)	(5.1)	(6.3)
General and administrative	(3.1)	(4.4)	(8.2)	(1.9)	(2.7)
Total operating expenses	(13.5)	(21.3)	(34.6)	(7.7)	(10.0)
Income (loss) from operations	(3.3)	0.8	5.4	0.8	2.9
Net income (loss)	\$ (2.2)	\$ 2.4	\$ 1.1	\$ 0.1	\$ 1.0

**Table of Contents**

(in millions, except share data)	At December 31,			At March 31,
	2004	2005	2006	2007
				(unaudited)
<b>Balance sheet data:</b>				
Total assets	\$ 24.1	\$ 44.4	\$ 53.8	57.2
Total liabilities	5.1	23.2	30.5	32.2
Mandatorily redeemable convertible preferred stock	63.1	63.6	64.1	64.2
Total stockholders deficit	(44.1)	(42.4)	(40.7)	(39.2)
<b>Earnings (loss) per share data:</b>				
Basic net income (loss) available to common stockholders per common share	(0.21)	0.05	0.01	0.02
Diluted net income (loss) per common share		0.05		
Weighted average shares:				
Basic	12,739,980	13,065,496	13,149,139	13,375,482
Diluted		13,671,359		

(in millions)	Year ended December 31,			Three months ended March 31,		
	2004	2005	2006	2006	2007	
<b>Other data:</b>						
Number of confirmed registered users at end of period(1)		6.5	12.2	18.2	13.5	19.7
Number of confirmed new registered users during period(2)		2.5	5.7	6.0	1.3	1.6
Gross merchandise volume(3)		\$ 299.3	\$ 607.7	\$ 1,075.1	\$ 217.8	\$ 312.5
Number of successful items sold(4)		5.1	8.4	13.8	2.8	3.9
Total payment volume(5)		\$ 8.9	\$ 38.5	\$ 89.0	\$ 16.5	\$ 26.6
Capital expenditures		\$ 2.1	\$ 2.0	\$ 2.4	\$ 0.6	\$ 0.6
Depreciation and amortization		\$ 1.1	\$ 1.6	\$ 2.0	\$ 0.5	\$ 0.5

(1)