São Paulo, April 28th, 2010 – Natura Cosméticos S.A. (BM&FBovespa: NATU3) announces today its results for the first quarter of 2010 (1Q10). Except where stated otherwise, the financial and operating information in this report is presented on a **consolidated basis**, in accordance with International Financial Reporting Standards (IFRS).

1. INTRODUCTION

Natura's 1Q10 results improved significantly from the same quarter a year earlier, confirming the consistent execution of our strategy in Brazil and in our international operations.

Our Brazilian operations registered robust growth, with the sales channel expanding 19.3%, capturing the effects of the full implementation of the Natura Super Consultant (CNO) sales model in May 2009. Our other Latin American operations continue to advance at an accelerated pace, supported by a more robust development plan for our operations in the implementation phase: Mexico and Colombia.

Consolidated net revenue increased 21.7%, and EBITDA grew 29.5%, accompanied by EBITDA margin of 24.0% (22.6% in 1Q09). Income before tax improved 25.6%, while net income grew 2.0%, reflecting the higher effective income tax rate in 2010[1]. Our net debt ended the quarter at R$ 58.9 million.

Our market share was 22.5% of the target market in Brazil, up 100 bps from 2008, based on the latest data for 2009 from the SIPATESP/ABIHPEC[2].

In the first quarter, we launched 14 new products, such as the new line of soaps Natura *EKOS*. The innovation index remained at the high level of 67.1% (versus 66.8% in 1Q09).

The additional investments made in the marketing mix since the Action Plan was initiated in 2008 totaled R$221.8 million, and were financed by the productivity gains of R$292.1 million in the quarter. The share of orders made over the internet by our consultants has maintained an upward trend, surpassing 80% of all orders in the period.

Net revenue from international operations increased by 37.0% in local currency terms, following the trend of recent years.

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[1] The effective rate of income and social contribution tax in 2009 reflects the goodwill amortization from the corporate restructuring in 2004, which was concluded in 2009.
[2] São Paulo State Perfumery and Toiletry Industry Trade Union / Brazilian Association for the Cosmetics, Toiletry and Fragrance Industry.

Our operations in Chile were affected by the earthquake, with our facilities partially damaged, which interrupted our revenue generation for a period of 22 days. Fortunately, all our employees are well and the operations have returned to normal.

Net revenue from operations in consolidation (Argentina, Chile and Peru) grew by 30.7% in local currency. However, the EBITDA from these operations was weak, reflecting the impacts from the earthquake and the gross margin compression in Argentina due to the depreciation of the peso against the Brazilian real. With signs of advances in the dynamics of our operations in these countries, we are confident that results will improve over the course of the year.

Net revenue from operations in implementation (Mexico and Colombia) increased by 89.7% in local currency. The highlight was the first product developed locally, the perfume *Ritual*, which was launched in Mexico with strong media support and very good initial results. We reiterate that we continue to invest in these countries with more-local operations in line with our strategy.

The number of consultants in the international operations increased by 30.6%, with 112,400 consultants in countries in consolidation and 45,300 in the countries in implementation. Combined with our consultants in France, we ended the quarter with a total of 159,100 consultants.

Sustainability and social and environmental aspects

In 2010, we celebrate ten years since the launch of the *EKOS* line, which was based on an innovative model of doing business sustainably. Over these years, we formed partnerships with 19 supplier communities, which include 1,714 families for the Natura *EKOS* line alone. The *EKOS* line uses 14 ingredients from Brazil's biodiversity.

This year, Natura *EKOS* enlarged this important sustainability project launching a line of soaps made with 100% of vegetable oil and between 20% and 50% pure oils coming from Brazil's biodiversity produced by local communities that adopt agroforestry and organic management systems, and the active ingredients are supplied by 263 families in eight different communities in the Amazon Region, which contributes to the preservation of the Amazon Rainforest.

Natura has established partnerships with 26 communities in various regions of Brazil and Ecuador, which together involve 2,084 families.

Our primary contribution to Brazil's cultural life is the *Natura Musical Program*. This project was created in 2005 and has already sponsored more than 130 initiatives, including CD recordings, the production of books, festivals, shows, research, expositions, tours and the recovery of archives. The initiatives are selected through a public competitive process and enjoy support from cultural incentive laws and matching funds from Natura. In addition to its commitment to promoting cultural activities, starting this year the *Natura Musical Program* will broaden its focus by launching the website Natura Musical (www.naturamusical.com.br) and the radio program Natura Musical.

> THE COSMETICS, FRAGRANCES AND PERSONAL CARE SEGMENT IN BRASIL

In 2009, our target market for cosmetics, fragrances and personal care products grew 15.2% in nominal terms (10.4% in real terms), according to SIPATESP/ABIHPEC[3]. The cosmetics and fragrances segment expanded by 14.8%, while the personal care products segment grew by 15.5%. In real terms, these figures were 10.0% and 10.7%, respectively.

The table below shows Natura's share in both the cosmetics & fragrances and personal care segments. We ended the year with a 96 bps increase in our share of the target market, from 21.6% in 2008 to 22.5% in 2009.

> CF&T Core Market Net Revenues Breakdown and Natura's Market Share in Brazil

	Core Market (R$ million)			Market Share - Natura (%)		
	2009	**2008**	**Change %**	**2009**	**2008**	**Change %**
Cosmetics and Fragrances	8,262.1	7,199.2	14.8%	34.0%	33.0%	0.9
Toiletries	9,257.4	8,015.1	15.5%	12.4%	11.3%	1.0
Total	**17,519.5**	**15,214.3**	**15.2%**	**22.5%**	**21.6%**	**1.0**

Source: SIPATESP

[3] São Paulo State Perfumery and Toiletry Industry Trade Union / Brazilian Association for the Cosmetics, Toiletry and Fragrance Industry.

2. CONSOLIDATED RESULTS

> Consolidated Financial Summary (R$ million)

	1Q10	1Q09	Change %
Total Consultants - end of period* (in thousand)	1,044.2	862.5	21.1
Unit sold – items for resale (in million)	94.6	79.8	18.6
Gross Revenues	1,381.5	1,139.8	21.2
Net Revenues	1,014.4	833.7	21.7
Gross Profit	702.7	572.1	22.8
Gross Margin (%)	*69.3%*	*68.6%*	*0.6 pp*
Sales Expenses	(348.8)	(296.2)	17.8
General and Administrative Expenses	(127.0)	(107.0)	18.7
Management compensation	(4.0)	(4.1)	na
Other Operating Income / (Expenses), net	(0.8)	(0.1)	na
Financial Income / (Expenses), net	(6.6)	6.9	-195.8
Earnings Before Taxes	215.5	171.5	25.6
Net Income (Losses)	141.6	138.7	2.0
Net Margin (%)	*14.0%*	*16.6%*	*-2.7 pp*
EBITDA**	243.5	188.1	29.5
EBITDA Margin (%)	*24.0%*	*22.6%*	*1.4 pp*

(*) Positon at the end of the 4th sales cycle

(**) EBITDA = Income from operations before financial effects + depreciation & amortization.

Consolidated net revenue in 1Q10 was R$1,014.4 million, up 21.7% from 1Q09. In Brazil, net revenue was R$942.4 million, up 22.3% from 1Q09. In the international operations, net revenue was R$72.0 million, up 37.0% in weighted local currency (13.8% in reais) from 1Q09. The international operations accounted for 6.9% of net revenue in the quarter, compared with 7.3% in 1Q09, reflecting the impacts from the foreign exchange depreciation in weighted local currency between the periods of 16%.

Our base of consultants, which is an important revenue driver, expanded by 21.1% in the quarter, attesting to the strength of the brand and the positive effect of the CNO business model, the implementation of which was concluded in May 2009. At the end of the quarter, we had 1,044,000 consultants in consolidated terms. The average productivity[4] of consultants in Brazil rose by 2.3%, from R$1,997 to R$2,042.

Cost of Goods Sold (COGS) decreased from 31.4% of net revenue in 1Q09 to 30.7% in 1Q10. This reduction in COGS and the resulting 80 bps improvement in gross margin in the quarter were mainly due to the price increases implemented in February and the exchange gains from local currency appreciation.

The table below shows the main components of COGS:

> Composition of Cost of Good Sold
(% Net Revenues)

	1Q10	1Q09
RM/PM*	24.1	24.5
Labor	2.8	2.9
Depreciation	0.4	0.5
Others	3.5	3.5
Total	**30.7**	**31.4**

(*) Raw material and packaging material

Selling expenses decreased by 110 bps, from 35.5% in 1Q09 to 34.4% in 1Q10, supported by productivity gains in logistics[5], lower costs with the catalog Revista Natura and the dilution of selling expenses in the international operations, as well as the depreciation in weighted local currency.

Administrative expenses represented 12.5% of net revenue in 1Q10, compared with 12.8% in 1Q09. The foreign exchange impacts and the dilution of administrative expenses in the international operations were offset by additional investments in the leadership development project and in adjustments to structures during 2009.

Consolidated income before income tax and social contribution was R$215.5 million, up 25.6% on a year earlier. **Consolidated net income** in 1Q10 was R$141.6 million, 2.0% higher than R$138.7 million in 1Q09. The effective rate of income tax/social contribution in 1Q09 was 19%, due to the accelerated amortization of goodwill in the period, a benefit that expired that year.

[4] Productivity measured at retail prices
[5] Collection of orders, distribution, separation and freight

Consolidated EBITDA was R$243.5 million in 1Q10 and R$188.1 million in 1Q09, for growth of 29.5%. EBITDA margin increased from 22.6% in 1Q09 to 24.0% in 1Q10. We reiterate our commitment to maintain EBITDA margin at a minimum of 23.0% for 2010.

> EBITDA (R$ million)

	1Q10	1Q09	Change %
Net Revenues	1,014.4	833.7	21.7
(-) Cost of Sales and Expenses	792.4	669.0	18.4
EBIT	**222.0**	**164.6**	**34.9**
(+) Depreciation/Amortization	21.5	23.4	-8.3
EBITDA	**243.5**	**188.1**	**29.5**

> CASH FLOW

> Consolidated cash flow – *pro-forma* (R$ million)

	1Q10	1Q09	Var %
Net income	**141.6**	**138.7**	**2.0**
(+) Depreciation and amortization	21.5	23.4	(8.3)
Internal cash generation	**163.0**	**162.1**	**0.5**
Cashflow (Increase) / Decrease	4.5	(15.8)	(128.6)
(+) Non-cash	(0.9)	(9.1)	(90.1)
Operating cash generation	**166.6**	**137.2**	**21.4**
Capex	(12.8)	(18.5)	(30.9)
Free cash flow*	**153.9**	**118.7**	**29.6**

(*) (Internal cash generation) +/- (changes in working capital and long-term assets and liabilities) – (acquisitions of property, plants, and equipment).

Internal cash flow generation in 1Q10 was R$163.0 million, up 0.5%, reflecting the net income growth of 2.0%, given the expiration in 2009 of the tax benefit from goodwill amortization, and the lower depreciation in the period due to the revaluation of the useful life of assets in accordance with the new accounting standards. This total included a reduction of R$4.5 million in working capital as well as investment of R$12.8 million in fixed assets. As a result, free cash generation grew by 29.6% to reach R$153.9 million in 2010.

Inventories remained high, as already observed in 4Q09, but have already declined slightly in terms of days of coverage. As announced, we continue to work on structural measures to increase the flexibility and integration of the supply chain, improve the continuous planning process and optimize the distribution network in the medium and long term.

Recoverable taxes also followed the same trend as in 4Q09. However, our negotiations with the government have proved effective and the balance should decrease in coming quarters.

For 2010, we maintain our Capex estimate of R$250 million, which will be concentrated in logistics capacity and information systems in Brazil.

3. Pro-Forma Income Statements

The profit margin on exports from Brazil to international operations was subtracted from the COGS of the respective operations in order to show the actual impact of these subsidiaries[6] on the company's consolidated result. Thus, the pro-forma Statement of Income for the Brazilian operations presents only the result of domestic sales.

[6] This adjustment is fully made since 100% of the capital of these subsidiaries is held by Natura Cosméticos S.A.

3.1 BRAZILIAN OPERATIONS – Pro-Forma Income Statement

> Financial Highlights - Brazil (R$ million)

	1Q10	1Q09	Change %
Total Consultants - end of period* (in thousand)	885.1	742.0	19.3
Unit sold – items for resale (in million)	86.3	73.7	17.1
Gross Operating Revenues	1,290.9	1,059.8	21.8
Net Operating Revenues	942.4	770.4	22.3
Gross Profit	660.6	531.2	24.4
Gross Margin (%)	*70.1%*	*68.9%*	*1.1 pp*
Sales Expenses	(302.9)	(252.0)	20.2
General and Administrative Expenses	(107.1)	(87.4)	22.5
Management compensation	(4.0)	(4.1)	(1.7)
Other Operating Income / (Expenses), net	0.1	0.4	(76.0)
Financial Income / (Expenses), net	(5.3)	7.7	(169.1)
Earnings Before Taxes	241.4	195.7	23.3
Net Income (Losses)	169.3	165.3	2.4
EBITDA	267.0	210.0	27.1
EBITDA Margin (%)	28.3%	27.3%	*1.1 pp*

(*) Number of consultants by the end of the 4th cycle of sales

- The number of consultants in Brazil stood at 885,100 at the close of 1Q10, 19.3% more than in 1Q09, reflecting the full implementation of the CNO model in May 2009. In 1Q09, the CNO model had been implemented in Brazil's Northeast and Midwest, in the states of Rio de Janeiro, Minas Gerais and Espírito Santo, and in the interior of São Paulo state. In 2Q09, the CNO model was implemented in Brazil's North and South regions as well as in the city of São Paulo.
- We continue to record productivity gains in accordance with the action plan announced in early 2008, led by the share of online orders, which reached 81.4% in the quarter, up from 60.7% in 1Q09.

3.2 OPERATIONS IN CONSOLIDATION (Argentina, Chile and Peru)

> Financial Highlights - Operations under Consolidation (Argentina, Chile and Peru) (R$ million)

	1Q10	1Q09	Change %
Total Consultants - end of period* (in thousand)	112.4	89.9	25.0
Unit sold – items for resale (in million)	5.5	4.5	23.7
Gross Revenues	64.4	60.7	6.0
Net Revenues	49.2	46.2	6.5
Gross Profit	28.7	29.9	(4.0)
Gross Margin (%)	*58.4%*	*64.9%*	*-6.4 pp*
Sales Expenses	(27.3)	(24.1)	13.0
General and Administrative Expenses	(4.7)	(4.7)	0.3
Others Income / (Expenses), net	(0.9)	0.1	-
Financial Income / (Expenses), net	0.3	(0.7)	-
Earnings Before Taxes	(3.8)	0.5	(923.2)
Net Income (Losses)	(5.3)	(1.0)	408.8
EBITDA	(3.5)	1.8	(300.1)
EBITDA Margin (%)	-7.1%	3.8%	*-10.9 pp*

(*) Number of consultants by the end of the 4th cycle of sales

- Net revenue from operations in consolidation was R$49.2 million in 1Q10, an increase of 30.7% in weighted local currency (6.5% in reais) from 1Q09.

- The number of consultants increased by 23.1% to reach 112,000 at the end of 1Q10.

- These operations recorded an EBITDA loss of R$3.5 million in 1Q10, compared with an EBITDA gain of R$1.8 million in 1Q09. This performance was affected by the earthquake in Chile and the sharp devaluation of nearly 28% in the Argentine peso against the Brazilian real.

- The Chile operations were affected by the earthquake at the start of the year, paralyzing our operations for 22 days, for which we estimate a negative impact of around R$3 million in the quarter due to revenue generation interruption and inventory losses.

3.3 OPERATIONS IN IMPLEMENTATION (Mexico, Colombia and Venezuela)

> Financial Highlights - Operations under Implementation (Mexico, Venezuela and Colombia) (R$ million)

	1Q10	1Q09	Change %
Total Consultants - end of period* (in thousand)	45.3	29.8	52.2
Unit sold – items for resale (in million)	2.7	1.5	77.2
Gross Revenues	22.5	15.9	41.0
Net Revenues	19.4	14.0	38.7
Gross Profit	11.5	9.1	26.0
Gross Margin (%)	*59.1%*	*65.1%*	*-6.0 pp*
Sales Expenses	(15.0)	(16.3)	(7.9)
General and Administrative Expenses	(3.2)	(4.0)	(20.9)
Others Income / (Expenses), net	(0.0)	(0.6)	-
Financial Income / (Expenses), net	(1.6)	(0.2)	-
Earnings Before Taxes	(8.3)	(12.0)	(30.5)
Net Income (Losses)	(8.8)	(12.9)	(31.7)
EBITDA	(6.4)	(11.4)	(44.0)
EBITDA Margin (%)	-32.9%	-81.5%	*48.6 pp*

(*) Number of consultants by the end of the 4th cycle of sales

- Net revenue from operations in implementation totaled R$19.4 million in 1Q10, an increase of 89.7% in weighted local currency, excluding Venezuela.
- The number of consultants increased by 39.0% to reach 45,000 at the end of 1Q10. Excluding Venezuela, this increase was 51.0%.
- These operations recorded an EBITDA loss of R$6.4 million in 1Q10, compared with negative EBITDA of R$11.4 million in 1Q09.

Other investments in the international operations recorded losses (EBITDA) of R$13.6 million in 1Q10, versus R$12.3 million in 1Q09.

In 2010, these investments consist of our France operations and expenses relating to our Latin America corporate office in Buenos Aires (as announced last quarter), the team for which is being formed. In 1Q09, the investment of R$12.3 million includes our France operations and expenses with the deactivation of the U.S. operations.

> CONFERENCE CALL & WEBCAST

Portuguese: **Friday, April 30th, 2010**
10:00 a.m. – Brasília time

English: **Friday, April 30th, 2010**
12:00 p.m. – Brasília time

Brazilian callers: +55 11 4688-6341
U.S. callers (toll free): +1 800 860-2442
Callers from other countries: +1 412 858-4600
Access code: Natura

Live Webcast at: www.natura.net/investidor

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> Consolidated income statement for the year

R$ million	**1Q10**	**1Q09**
NET REVENUES	**1,014.4**	**833.7**
Cost of sales	(311.7)	(261.6)
GROSS PROFIT	**702.7**	**572.1**
Operating expenses	(479.8)	(407.3)
Financial income (expenses), net	(6.6)	6.9
Other operating income (expenses), net	(0.8)	(0.1)
INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	**215.5**	**171.5**
Income tax and social contribution	(73.9)	(32.8)
NET INCOME FOR THE YEAR FROM CONTINUING OPERATIONS	**141.6**	**138.7**
Attributable to:		
Shareholders	141.6	138.7
Non-controllers	-	-
EARNINGS PER SHARE - R$		
Basic	0.3289	0.3233
Diluted	0.3276	0.3227

The accompanying notes are an integral part of these consolidated financial statements.

> Consolidated balance sheet as of March 31st , 2010 and December 31st , 2009

ASSETS	1Q10	4Q09
CURRENT ASSETS		
Cash and cash equivalents	567.4	500.3
Trade accounts receivable	380.9	452.9
Inventories	552.4	509.6
Recoverable taxes	210.4	191.2
Other receivables	68.9	62.5
Total current assets	**1,780.0**	**1,716.4**
NONCURRENT ASSETS		
Recoverable taxes	75.5	63.9
Deferred income tax and social contribution	151.6	146.1
Escrow deposits	254.1	232.4
Other financial assets	7.8	7.4
Property, plant and equipment	483.4	492.3
Intangible assets	78.8	82.7
Total noncurrent assets	**1,051.3**	**1,024.9**
TOTAL ASSETS	**2,831.3**	**2,741.2**

LIABILITIES AND SHAREHOLDERS' EQUITY	1Q10	4Q09
CURRENT LIABILITIES		
Loans and financing	484.7	569.4
Trade and other payables	230.0	255.5
Payroll, profit sharing and related taxes	91.3	130.8
Taxes payable	427.0	341.3
Reserve for tax, civil and labor contingencies	-	1.5
Derivatives	2.9	8.7
Other payables	46.1	30.0
Total current liabilities	**1,282.1**	**1,337.1**
NONCURRENT LIABILITIES		
Loans and financing	138.5	135.0
Reserve for tax, civil and labor contingencies	115.7	120.0
Other payables	9.3	9.3
Total noncurrent liabilities	**263.6**	**264.3**
SHAREHOLDERS' EQUITY		
Capital	407.1	404.3
Capital reserves	142.4	143.0
Earnings reserves	396.1	253.7
Treasury shares	(0.0)	(0.0)
Proposed additional dividends	357.6	357.6
Accumulated losses	(17.7)	(18.7)
Shareholders' equity attributable to controlling shareholders	**1,285.5**	**1,139.8**
NON-CONTROLLING INTERESTS	0.0	0.0
Total shareholders' equity	**1,285.5**	**1,139.8**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**2,831.3**	**2,741.2**

The accompanying notes are an integral part of these consolidated financial statements.

> Consolidated cash flow statement

R$ million	1Q10	1Q09
CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the quarter	**141.6**	**138.7**
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	21.5	23.4
Reserve for losses on swap and forward derivative contracts	(5.7)	12.1
Reserve for tax, civil and labor contingencies	(5.7)	(1.3)
Deferred income tax and social contribution	(5.5)	(1.0)
Loss on sale of property, plant and equipment and intangible assets	1.5	(0.3)
Interest and exchange rate changes on loans and financing and other liabilities	15.6	6.1
Expenses on stock option plans	0.7	0.8
Allowance for doubtful accounts	2.9	2.0
Allowance for losses on inventories realization	10.6	(4.2)
Subtotal	**177.4**	**176.3**
(INCREASE) DECREASE IN ASSETS		
Current:		
Trade accounts receivable	69.1	103.0
Inventories	(53.5)	(53.2)
Recoverable taxes	(19.2)	(24.0)
Other receivables	(6.6)	(1.5)
Noncurrent:		
Escrow deposits	(21.8)	(10.7)
Recoverable taxes	(11.5)	(11.9)
Other receivables	(0.3)	(2.7)
Subtotal	**(43.8)**	**(1.0)**
INCREASE (DECREASE) IN LIABILITIES		
Current:		
Trade accounts payable	(31.0)	17.3
Payroll, profit sharing and related taxes	(39.5)	(45.5)
Taxes payable	91.8	48.2
Other payables	21.6	(0.5)
Noncurrent:		
Other payables	-	0.1
Subtotal	**43.0**	**19.6**
OTHER CASH FLOWS FROM OPERATING ACTIVITIES		
Payments of income tax and social contribution	(6.1)	(39.5)
Payments of derivative transactions	-	(1.3)
Payments of interest on loans and financing	(3.7)	(4.3)
NET CASH PROVIDED BY OPERATING ACTIVITIES	**166.7**	**149.7**
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment and intangible assets	(12.8)	(18.5)
Proceeds from sale of property, plant and equipment and intangible assets	2.7	2.6
NET CASH USED IN INVESTING ACTIVITIES	**(10.1)**	**(15.9)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of loans and financing - principal	(152.5)	(60.3)
Funds of loans and financing	60.0	17.3
Payment of dividends and interest on capital	-	(8.6)
Capital increase through subscription of shares	2.8	1.9
NET CASH USED IN INVESTING ACTIVITIES	**(89.7)**	**(49.7)**
Effects of exchange rate changes on cash and banks	0.1	3.9
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**67.1**	**88.0**
Cash, banks and cash investments at beginning of quarter	500.3	350.5
Cash, banks and cash investments at end of quarter	567.4	438.5
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**67.1**	**88.0**

The accompanying notes are an integral part of these consolidated financial statements.

EBITDA is not used in the accounting practices adopted in Brazil and does not represent cash flow for the periods. EBITDA must not be considered an alternative to net income as an indicator of the operating performance or as an alternative to cash flow as an indicator of liquidity. EBITDA does not have a standardized meaning and its definition by the company may eventually not be comparable to the Brazilian LAJIDA or to EBITDA as defined by other companies. Although EBITDA does not provide, according to the accounting practices adopted in Brazil, a measure of cash flow, the Management utilizes it to measure the Company´s operating performance. Furthermore, we understand that certain investors and financial analysts utilize EBITDA as an indicator of the operating performance and/or cash flow of a company.

This report contains forward-looking statements. This information represents not only historical facts, but also reflects the wishes and expectations of Natura's management. The words "anticipate", "wish", "expect", "forecast", "intend", "plan", "predict", "project", "aim" and similar terms identify statements that necessarily involve known and unknown risks. Known risks include uncertainties that are not limited to the impact of price and product competition, product acceptance in the market, product transitions of the Company and its competitors, regulatory approval, currencies, currency fluctuation, supply and production difficulties and changes in product sales, among other risks. This report also contains "pro forma" information prepared by the Company to be used exclusively for information and reference purposes, since they are not audited. This report is updated up to the present date and Natura does not undertake to update it in the event of new information and/or future events.

ADVICE TO INVESTORS

On April 28th, 2010, our Board of Directors approved the issuance of simple, non-convertible into shares, registered, book-entry and unsecured Debentures in the total amount of R$350,000,000.00 (three hundred and fifty million Brazilian real) ("Issue"), which will be subject to a public distribution with restricted efforts placement to qualified investors, pursuant to CVM Instruction n. 476, of January 16, 2009 ("Restricted Offer" and "CVM Instruction n. 476/09", respectively). The proceeds raised through the Restricted Offer will be allocated to lengthen the average maturity of our debt.

The Restricted Offer will be automatically exempted from registration with the Brazilian Securities and Exchange Commission (Comissão de Valores Mobiliários - "CVM"), pursuant to CVM Instruction n. 476/09, and therefore from the fulfillment of certain conditions and procedures commonly seen in public offerings of securities registered with CVM, with which usual investors of capital market may be familiar. Accordingly, no prospectus will be prepared comprising information about the Restricted Offer and the documents relating to the Issue and the Restricted Offer will not be subject to review by CVM.

The disclosure of the terms and conditions of the Restricted Offer will be subject to the limits and restrictions established by CVM Instruction n. 476/09. Qualified investors interested in acquiring debentures under the Restricted Offer must have knowledge of the financial market and the capital markets enough to conduct their own research, evaluation and independent research on our company, our activities and our financial situation, and be familiar with the information usually disclosed by our Company to our shareholders, investors and to the market in general.

WE RECOMMEND TO INVESTORS INTERESTED IN PURCHASE DEBENTURES IN THE RESTRICTED OFFER A CAREFUL READING OF INFORMATIONAL MATERIALS THAT CONTAINS THE TERMS AND CONDITIONS OF THE RESTRICTED OFFER, AS WELL AS OUR REFERENCE FORM (FORMULÁRIO DE REFERÊNCIA), OF OUR STANDARDIZED FINANCIAL STATEMENTS - DFP AND OUR QUARTERLY INFORMATION - ITR, WHICH CONTAINS RELEVANT INFORMATION ABOUT OUR COMPANY, OUR ACTIVITIES AND OUR FINANCIAL SITUATION, IN PARTICULAR, OF THE SECTION ENTITLED "RISK FACTORS "OF OUR REFERENCE FORM, WHICH CONTAINS A DESCRIPTION OF CERTAIN RISK FACTORS THAT MUST BE TAKEN INTO CONSIDERATION BEFORE THE IMPLEMENTATION OF A POSSIBLE INVESTMENT WITHIN THE RESTRICTED OFFER.