

NATURA COSMÉTICOS S.A.

Corporate Taxpayer's ID (CNPJ/MF) no. 71.673.990/0001-77

Corporate Registry ID (NIRE) 35.300.143.183

Publicly-Held Company

Subscribed and Paid-in Capital: R\$390,947,976.28 – 429,029,051 common shares

Authorized Capital: up to 12,381,074 common shares

NOTICE TO THE MARKET

NATURA COSMÉTICOS S.A. informs that until March 30, 2008 **one hundred thousand (100,000) non-par registered common shares were subscribed and paid-in**, out of the one million, seven hundred two thousand, two hundred fifty (1,702,250) non-par registered common shares, issued on February 21, 2006, as approved by the Company's Board of Directors on the referred data, to meet the exercise of the options granted to the managers and employees of the Company and of its direct and indirect subsidiaries, participants of the Addendum to the Stock Option Granting or Subscription Plan of Common Shares Issued by the Company related to the Calendar Year of 2003.

Accordingly, the Company's capital stock increased from three hundred ninety million, six hundred seventeen thousand, nine hundred seventy six reais and twenty eight centavos (R\$390,617,976.28), on December 31, 2007, to three hundred ninety million, nine hundred forty seven thousand, nine hundred seventy six reais and twenty eight centavos (R\$390,947,976.28), on March 30, 2008.

The amount of non-par registered common shares, subscribed and paid-in, increased from four hundred twenty eight million, nine hundred twenty nine thousand, fifty one (428,929,051) non-par registered common shares, on December 31, 2007, to four hundred twenty nine million, twenty nine thousand, fifty one (429,029,051), on March 30, 2008.

Accordingly, the authorized capital decreased from twelve million, three hundred eighty one thousand, seventy four (12,381,074) non-par registered common shares, on December 31, 2007, to twelve million, two hundred eighty one thousand, seventy four (12,281,074) non-par registered common shares, on March 30, 2008.

The one hundred thousand (100,000) non-par registered common shares, subscribed and paid-in until March 19, 2008 will be fully entitled to interest on own capital or any other compensations declared after the date on which they were subscribed and paid-in.

JOSÉ DAVID VILELA UBA

Chief Financial and Investor Relations Officer