



São Paulo, Brazil, October 21, 2009 – Natura Cosméticos S.A. (BM&FBovespa: NATU3) announces today its results for the third quarter of 2009 (3Q09). The financial and operating information included in this report, except where otherwise indicated, is presented on a **consolidated basis** in accordance with the Brazilian Corporation Law, Law 11,638/07.

1. INTRODUCTION

This year, as we commemorate our 40th anniversary, for 3T09 we once again present results that show the strength of our operations and the market in which we operate. We continue to record outstanding growth and profitability in the Brazilian market. We have grown at significant rates in Latin America, and the operations under consolidation have posted positive results for the fourth consecutive quarter.

Consolidated net revenues totaled R\$1,054.9 million in 3Q09, increasing 15.9% over 3Q08 (R\$2,922.8 million and 19.7% growth in the first nine months of 2009). In 3Q09, EBITDA stood at R\$272.1 million, representing a 14.1% year-on-year increase (R\$704.1 million and 16.3% growth in 9M09.) The margin reached 25.8% in the third quarter (24.1% in 9M09.) We have kept our commitment to maintain a minimum EBITDA margin of 23.0% 2009 and 2010.

Net income was R\$190.2 million, up 19.1% over 3Q08 (R\$497.3 million and 31.1% growth in 9M09.)

Core Market - Our core market, as measured by SIPATESP/ABIHPEC¹, grew 20.3% in 1H09. Our market share in the period rose from 21.8% in 1H08 to 22.3% in 1H09.

The table below shows Natura's share in the cosmetics and fragrances and personal hygiene segments.

¹ São Paulo Union for the Fragrance and Toiletries Industry / Brazilian Association of the Personal Hygiene, Fragrance and Cosmetics Industry.

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

	Core Market (R\$ million)			Market Share - Natura (%)		
	6M09	6M08	Change %	6M09	6M08	Change %
Cosmetics and Fragrances	3,354.1	2,787.2	20.3%	36.2%	35.4%	0.9
Toiletries	4,372.9	3,636.1	20.3%	11.6%	11.4%	0.2
Total	7,727.0	6,423.3	20.3%	22.3%	21.8%	0.5

Source: SIPATESP

Natura Consultants and Sales Channel - The total number of available Natura Consultants reached 988 thousand at the end of September – a 23% increase – 839 thousand of which are in Brazil (21.3% growth) and 149 thousand in international operations (33.7% growth.) The implementation of the new “Consultora Natura Orientadora - CNO” (Super Consultant) sales model, the development of Latin American operations and the strength of our brand drove this growth. It is worth pointing out that this October we reached the landmark of one million consultants.

In keeping with the process of improving the quality of the relationship with our sales channel, we inaugurated one more “Casa Natura” (Natura’s Show Room), this time in the city of Guarulhos, in the São Paulo metro area, totaling 5 “Casas” in Brazil and 10 abroad. We also opened a “Casa Natura” at our facilities in the city of Cajamar, in the São Paulo metro area, where both visiting consultants and employees have the opportunity to learn more about our products.

Marketing – Year-to-date, additional marketing investments in Brazil total R\$183.0 million, financed by R\$203.9 million from productivity gains, considering the base year 2007. The sources were: Natura magazine and efficiency gains both in raw materials purchasing and in the receipt, sorting and transportation of the orders placed by our consultants. It is worth noting that in 3Q09, 74% of our consultants’ orders were placed on the Internet, versus 53% in 3Q08.

Innovation - Our innovation index at the end of 9M09 stood at 66.8%, remaining stable year-on-year (66.9% in 9M08). We had important launches in the quarter that exceeded our expectations, such as the new *Aquarela* make-up line and the re-launch of *Kaiak* perfume. Another launch was the Açaí product line that introduces the “harvest” concept, offering seasonal, limited-edition products available only for a limited time, with approximately six sales cycles, whose inputs are supplied by the COFRUTA cooperative as described below.

Social and Environmental Aspects

- **Relationship with communities** – With the Ekos line, in 2000 we started a new cycle in the company's history, as a way of establishing and maintaining this relationship network with local communities and incorporating it into Natura's business model. We assume this challenge to encourage environmental preservation and appreciation of folk knowledge. Access to these raw materials is obtained through supply agreements with extractivist communities, family farmers and rural businesspeople.

We currently work with 1,670 families organized into 21 supplier communities, located in areas such as the Amazon and Atlantic rainforests. In addition to the purchase of raw materials, we established benefit-sharing agreements and, in some cases, financially support the development of these providers and their productive chains.

One recent example of this relationship is the new *Açaí* product line of *Natura Ekos*, whose active ingredient, the Brazilian fruit *açaí*, is acquired from COFRUTA, a cooperative located in the Abaetetuba community in Pará State that has been Natura's partner since 2007 and also supplies other botanical inputs.

As a result of this launch, the community sold 2.4 times more *açaí* by volume purchased from communities. Approximately 80 families have directly benefited from this partnership. COFRUTA's *açaí* is grown according to sustainable management principles and holds the organic certification seal granted by the *Instituto de Mercado Ecológico* (IMO in Brazil.)



- **Environmental**

Water – In 3T09 there was an 18% reduction in the consumption of water per unit produced².

Energy – We improved our efficiency in the energy matrix (electricity and solar energy, diesel oil and LP gas), reducing energy consumption per unit produced³ by 28%.

Carbon – In September, the company launched the *Editais Carbono Neutro 2009* (2009 Neutral Carbon Notice) for selecting 2009/2010 emissions compensation projects that it will finance throughout this period. Voluntary projects for emissions reduction and/or GHG (Greenhouse Gas) removal focusing on Voluntary Emissions Reductions (VER) will be selected.⁴

We also continue in our pursuit to positively influence the several links in our chain to fight global warming. We are confident that during the United Nations Framework Convention on Climate Change (FCCC) at the end of the year, negotiators will spare no effort to reach a global consensus that represents a substantial advance on the Kyoto Protocol.

Thus, driving us to actively participate in initiatives such as the Climate Neutral Network (UNEP), Open Letter to Brazil on Climate Change, Letter of the Brazilian Business Council for Sustainable Development (CEBDS), Caring For Climate (Global Compact); the Copenhagen Communiqué, the Prince of Wales's Corporate Leaders Group on Climate Change (CLGCC) and Companies for the Climate (Fundação Getúlio Vargas).

International - Our international operations continue to show high growth rates. Net revenues grew 46.5% in domestic currency in 3Q09, representing 7.2% of consolidated net revenue. For the fourth consecutive quarter, operations in countries under consolidation (Argentina, Chile and Peru) have contributed with positive results, as measured by EBITDA.

Secondary Offering of Shares – at the end of July we conducted a new secondary offering of shares at the price of R\$26.50 per share, resulting in R\$1.5 billion in proceeds and increasing our free float from 26.25% to 39.5%. Since the secondary offering, Natura's shares

² Data refer to Cajamar unit.

³ Data refer to Cajamar unit.

⁴ Unit for voluntary emissions reductions and/or GHG removal, equal to a metric ton of carbon dioxide equivalent, calculated according to global warming potentials defined by the Kyoto Protocol).

have recorded an average daily trading volume of R\$29.5 million, 35% higher than the pre-offering volume.

Finally, we would like to point out once more the strength of the market in which we operate, which continues to show high grow rates, and the consistent results driven by our strategy of profitable growth in Brazil and increased investment in the development of our Latin American operations, as well as our improved management model with the implementation of regional and business units. Above all, we highlight our investment in leadership development, in addition to strengthening our chief competitive advantage: our organizational culture.

2. CONSOLIDATED RESULTS

> Consolidated Financial Summary (R\$ million)

	3Q09	3Q08	Change %	9M09	9M08	Change %
Total Consultants - end of period* (in thousand)	988.1	803.1	23.0	988.1	803.1	23.0
Unit sold – items for resale (in million)	100.3	80.7	24.2	269.5	222.6	21.0
Gross Operating Revenues	1,450.7	1,230.9	17.9	4,003.3	3,324.9	20.4
Net Operating Revenues	1,054.9	909.9	15.9	2,922.8	2,441.6	19.7
Gross Profit	741.3	638.4	16.1	2,045.5	1,696.4	20.6
<i>Gross Margin (%)</i>	<i>70.3%</i>	<i>70.2%</i>	<i>0.1 pp</i>	<i>70.0%</i>	<i>69.5%</i>	<i>0.5 pp</i>
Sales Expenses	(368.7)	(325.9)	13.1	(1,042.3)	(871.5)	19.6
General and Administrative Expenses	(124.7)	(96.4)	29.3	(361.7)	(308.1)	17.4
Management compensation	(2.0)	(3.3)	(38.1)	(10.8)	(9.7)	10.8
Others Income / (Expenses), net	4.8	4.6	na	5.4	33.3	na
Financial Income / (Expenses), net	(15.6)	2.9	na	(21.4)	(10.9)	na
Operating Profit	235.1	220.2	6.7	614.7	529.4	16.1
Net Income	190.2	159.7	19.1	497.3	379.4	31.1
<i>Net Margin (%)</i>	<i>18.0%</i>	<i>17.5%</i>	<i>0.5 pp</i>	<i>17.0%</i>	<i>15.5%</i>	<i>1.5 pp</i>
EBITDA**	272.1	238.5	14.1	704.1	605.2	16.3
<i>EBITDA Margin (%)</i>	<i>25.8%</i>	<i>26.2%</i>	<i>-0.4 pp</i>	<i>24.1%</i>	<i>24.8%</i>	<i>-0.7 pp</i>

(*) Positon at the end of the 13th sales cycle in Brazil and the 12th sales cycle in International Operations.

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

Consolidated net revenues totaled \$1,054.9 million in 3Q09, a 15.9% increase compared to 3Q08. Year-to-date (9M09), consolidated net revenues stand at R\$2,922.8 million, a 19.7% increase. In addition to our market's growth due to the the country's robust internal economy, another important driver of this positive result was our sales channel. The implementation of the CNO model, combined with the launch of outstanding products supported by the action plan established in the beginning of 2008, continue to be key factors in revenue growth.

In Brazil, net revenue totaled R\$979.1 million in 3Q09, 14.2% more than in 3Q08. In 9M09, net revenue in Brazil reached R\$2,711.4 million, 17.8% growth compared to the same period of 2008. The average productivity⁵ of available consultants in the quarter decreased 2.7%, from R\$2,406 to R\$2,341 in 3Q09 (R\$6,748 productivity in 9M09, a 0.4% drop) as a result of the channel's strong growth; new consultants are generally less productive early in their careers.

Net revenue from our international operations totaled R\$75.8 million in 3Q09, growing 43.9% over 3Q08 (46.5% in weighted domestic currency.) In 9M09, net revenue totaled R\$211.4 million in these operations, an increase of 50.8% (43.5% in weighted domestic currency), representing 7.2% of consolidated net revenue versus 5.7% in the first nine months of 2008, growing as expected for these operations.

Cost of Goods Sold (GOGS) decreased slightly from 29.8% in 3Q08 to 29.7% in 3Q09 with the consequent improvement in the gross margin from 70.2% to 70.3% in the quarters, respectively. COGS also fell from 30.5% to 30.0% between 9M08 and 9M09. The appreciation of the real and the small average drop in the prices of certain inputs in the period were the main factors responsible for the modest year-to-date margin gain.

The table below shows COGS broken down into its main components:

> Composition of Cost of Good Sold				
(% Net Revenues)				
	3Q09	3Q08	9M09	9M08
RM/PM*	23.9	23.8	24.1	24.0
Labor	2.4	2.5	2.6	2.8
Depreciation	1.0	1.2	1.1	1.3
Others	2.4	2.3	2.2	2.4
Total	29.7	29.8	30.0	30.5

(*) Raw material and packaging material

⁵ Productivity of Natura Consultants measured at retail prices

Selling expenses fell year-on-year from 35.8% in 3Q08 to 35.0% in 3Q09. This decrease derives from productivity gains in Natura magazine and in logistics expenses. Comparing the 9-month periods of 2008 and 2009, these expenses have remained stable at 35.7%. It is worth mentioning that we have experienced a positive relative growth in share of voice in both magazine and broadcast television.

Administrative expenses in 3Q09 recorded a moderate increase in relation to net revenue, from 10.6% in 3Q08 to 11.8%. Year-to-date (9M09), the expenses dropped slightly from 12.6% (9M08) to 12.4%. In 3Q09, the increase was mainly due to higher expenses with projects. It is important to point out that expenses with projects in 3Q08 were below average, since at that time we were revising the allocation of funds.

Consolidated net income reached R\$190.2 million in 3Q09 versus R\$159.7 million in 3Q08, an increase of 19.1%. In 9M09, net income totaled R\$497.3 million, growing 31.1% over the same period of 2008 (R\$379.4 million.)

The main drivers of this increase in 9M09 were: (i) the growth in the company's operating result; (ii) the negative net financial result due to the effects of exchange variation on exports and the operational hedge transactions – in 9M09 the real appreciated approximately 24% versus devaluation of roughly 10% in the same period of the previous year; (iii) a reduction in the effective Income Tax rate in 1H09, down from 29.0% to 19.1% (appropriation of the tax benefit generated by the statement of interest on shareholder's equity for 2008, and the advanced amortization of the goodwill resulting from the 2004 corporate restructuring.) We would like to point out that, as of 2010, the effective Income Tax and Social Contribution rate will no longer benefit from goodwill amortization.

Consolidated EBITDA totaled R\$272.1 million in 3Q09 versus R\$238.5 million in 3Q08, an increase of 14.1%. The EBITDA margin dropped from 26.2% in 3Q08 to 25.8% in 3T09. In 9M09, consolidated EBITDA reached R\$704.1 million, a 16.3% increase over the same period in 2008 (R\$605.2 million.)

> **EBITDA** (R\$ million)

	3Q09	3Q08	Change %	9M09	9M08	Change %
Net Revenues	1,054.9	909.9	15.9	2,922.8	2,441.6	19.7
(-) Cost of Sales and Expenses	804.2	692.6	16.1	2,286.7	1,901.3	20.3
EBIT	250.7	217.3	15.3	636.1	540.3	17.7
(+) Depreciation/Amortization	21.4	21.2	1.1	68.0	64.9	4.8
EBITDA	272.1	238.5	14.1	704.1	605.2	16.3

> CASH FLOW

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

	9M09	9M08	Change %
Net income	497.3	379.4	31.1
(+) Depreciation and amortization	68.0	64.9	4.8
Internal cash generation	565.3	444.3	27.2
Operating working capital*	(181.1)	65.6	(376.3)
Other assets and liabilities**	(37.2)	(40.2)	(7.6)
Operating cash generation	347.0	469.6	(26.1)
Capex	(76.8)	(61.0)	26.0
Free cash flow***	270.2	408.7	(33.9)

(*) Assets - Accounts receivable, inventories, and short-term recoverable taxes. Liabilities - Suppliers, payrolls, profit sharing and social charges, tax liabilities, provisions, and freight payable.

(**) Assets - Advance to employees and suppliers, short-term deferred income and social contribution taxes, other credits, and long-term assets. Liabilities - Other short and long-term accounts payable and provisions for tax, civil, and labor losses.

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

Free cash generation was R\$270.2 million in 9M09 versus R\$408.7 million in 9M08. Not considering the R\$122 million one-off effect of the credit policy for the 2007 Christmas sales in the 2008 full year results, the free cash generation in 2009 would have fallen 6%.

Internal cash flow generation⁶ in 9M09 totaled R\$565.3 million, up 27.2% compared to the R\$444.3 million recorded in 9M08. From this total, R\$181.8 million was invested in operating working capital.

The investment in operating working capital in 3Q09 was due to the greater investment in inventories, driven by the strategy of improving service levels for our consumers and by the need to meet Christmas demand, in addition to decentralizing logistics and increasing coverage in international operations.

Year-to-date investments in property, plant and equipment stand at R\$76.8 million, concentrated in information technology, improvements and expansion of production capacity.

⁶ (Net income for the period) + (depreciation and amortization)

3. Pro-Forma Statements of Income

The profit margin from exports from Brazil to international operations was subtracted from the COGS of the respective operations, showing the actual impact of these subsidiaries⁷ on the company's consolidated result. Thus, the pro-forma Statement of Income for the Brazilian operations shows only the result of local market sales.

3.1 BRAZILIAN OPERATIONS – pro-forma Statement of Income

> Financial Highlights - Brazil (R\$ million)

	3Q09	3Q08	Change %	9M09	9M08	Change %
Total Consultants - end of period* (in thousand)	838.9	691.5	21.3	838.9	691.5	21.3
Unit sold – items for resale (in million)	91.4	74.6	22.6	247.3	206.1	20.0
Gross Operating Revenues	1,354.6	1,163.7	16.4	3,735.3	3,146.8	18.7
Net Operating Revenues	979.1	857.2	14.2	2,711.4	2,301.4	17.8
Gross Profit	692.9	606.0	14.3	1,905.4	1,609.3	18.4
<i>Gross Margin (%)</i>	<i>70.8%</i>	<i>70.7%</i>	<i>0.1 pp</i>	<i>70.3%</i>	<i>69.9%</i>	<i>0.3 pp</i>
Sales Expenses	(321.0)	(287.4)	11.7	(897.6)	(767.3)	17.0
General and Administrative Expenses	(109.8)	(81.8)	34.2	(302.4)	(267.7)	13.0
Management compensation	(2.0)	(3.3)	(38.1)	(10.8)	(9.7)	10.8
Others Income / (Expenses), net	2.8	4.6	(38.2)	4.3	33.3	(87.2)
Financial Income / (Expenses), net	(15.8)	4.1	(482.2)	(21.5)	(9.2)	134.9
Operating Profit	247.2	242.2	2.0	677.4	588.9	15.0
Net Income	205.5	182.8	12.4	569.0	443.0	28.5
EBITDA	283.1	258.4	9.6	762.8	660.4	15.5
<i>EBITDA Margin (%)</i>	<i>28.9%</i>	<i>30.1%</i>	<i>-1.2 pp</i>	<i>28.1%</i>	<i>28.7%</i>	<i>-0.6 pp</i>

(*) Number of consultants by the end of the cycle 13 of sales

⁷ This is fully adjusted, as these subsidiaries are wholly-owned by Natura Cosméticos S.A.Car

- The number of consultants in Brazil reached 839 thousand at the end of 3Q09, an increase of 21.3% over 3Q08. Again, this increase reflects the impact of the implementation of the CNO model, completed last May.
- Regarding the Action Plan, we point out the increase in online orders, which accounted for 74% of orders in the quarter (53% in 3Q08 and 44% in 3Q07.)
- The quarter was also marked by highly successful launches of new product lines, as mentioned in the beginning of this release.
- We inaugurated a new "Casas Natura" in Guarulhos, São Paulo State in addition to one in Cajamar for visitors, consultants and employees.

3.2 OPERATIONS UNDER CONSOLIDATION (Argentina, Chile and Peru)

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

	3Q09	3Q08	Change %	9M09	9M08	Change %
Total Consultants - end of period* (in thousand)	108.1	85.5	26.5	108.1	85.5	26.5
Unit sold - items for resale (in million)	6.6	4.8	38.4	16.2	12.9	26.2
Gross Operating Revenues	74.6	53.4	39.8	206.5	141.9	45.5
Net Operating Revenues	57.1	40.6	40.7	158.0	108.8	45.3
Gross Profit	36.1	24.7	46.1	103.9	67.8	53.2
<i>Gross Margin (%)</i>	63.2%	60.9%	2.4 pp	65.8%	62.3%	3.4 pp
Sales Expenses	(26.7)	(21.6)	23.8	(80.4)	(58.0)	38.7
General and Administrative Expenses	(6.7)	(4.4)	52.1	(17.0)	(13.0)	31.1
Others Income / (Expenses), net	1.0	(0.1)	-	1.4	(0.1)	-
Financial Income / (Expenses), net	0.4	(1.0)	-	0.1	(1.6)	-
Operating Profit	4.1	(2.3)	(278.4)	8.0	(4.8)	(266.5)
Net Income	1.7	(3.4)	(148.0)	1.5	(7.9)	(119.0)
EBITDA	4.3	(0.9)	(596.0)	9.5	(2.0)	(573.8)
<i>EBITDA Margin (%)</i>	7.5%	-2.1%	9.6 pp	6.0%	-1.8%	7.8 pp

(*) Number of consultants by the end of the cycle 12 of sales

- Net revenues from operations under consolidation totaled R\$57.1 million in 3Q09, an increase of 40.7% (40.9% in weighted domestic currency) compared to 3Q08. In 9M09, results were as follows: Net Revenue of R\$158.0 million in 9M09 versus R\$108.8 million in 9M08, an increase of 45.3% (36% in weighted domestic currency.)
- Gross profit margin is the result of efficient cost management, since the operational currency basket was in line with the real in the period.
- The number of consultants in operations under consolidation grew by 26.5%, reaching 108 thousand at the end of 3Q09.
- These operations resulted in a positive EBITDA of R\$4.3 million in 3Q09 versus a negative EBITDA of R\$0.9 million in 3Q08. In 9M09, EBITDA reached R\$9.5 million compared to R\$2.0 million loss in the same period of 2008.

3.3 OPERATIONS UNDER IMPLEMENTATION (Mexico, Colombia and Venezuela)

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

	3Q09	3Q08	Change %	9M09	9M08	Change %
Total Consultants - end of period* (in thousand)	40.0	25.6	56.2	40.0	25.6	56.2
Unit sold - items for resale (in million)	2.2	1.4	60.7	5.7	3.5	61.8
Gross Operating Revenues	19.8	12.9	53.5	55.9	33.3	68.0
Net Operating Revenues	17.2	11.3	52.8	48.8	29.0	68.1
Gross Profit	10.9	7.2	51.6	32.1	17.3	85.4
<i>Gross Margin (%)</i>	63.1%	63.6%	-0.5 pp	65.9%	59.8%	6.1 pp
Sales Expenses	(17.5)	(13.2)	32.6	(52.9)	(35.3)	50.0
General and Administrative Expenses	(1.9)	(3.3)	(44.1)	(12.7)	(9.5)	33.3
Others Income / (Expenses), net	1.0	(0.0)	-	(0.2)	(0.0)	-
Financial Income / (Expenses), net	(0.2)	(0.1)	-	(0.1)	(0.2)	-
Operating Profit	(7.7)	(9.4)	(18.4)	(33.7)	(27.7)	21.8
Net Income	(8.3)	(9.3)	(9.9)	(36.1)	(28.6)	26.5
EBITDA	(7.0)	(9.3)	(24.4)	(32.2)	(27.0)	19.3
<i>EBITDA Margin (%)</i>	-40.7%	-82.2%	41.5 pp	-66.0%	-93.0%	27.0 pp

(*) Number of consultants by the end of the cycle 12 of sales

- Net revenues from operations under implementation totaled R\$17.2 million in 3Q09, an increase of 52.8% (64.9% in weighted domestic currency) versus 3Q08. Year-to-date, revenue reached R\$48.8 million, an increase of 68.1% (69.2% in local weighted currency.)
- The number of consultants grew 56.2%, reaching 40 thousand at the end of 3Q09.
- These operations resulted in a negative EBITDA of R\$7.0 million in 3Q09 versus a negative EBITDA of R\$9.3 million in 3Q08. This negative result was due to continuing investments in Mexico and Colombia, in channel expansion and marketing.

- Year-to-date EBITDA was a negative R\$32.2 million, compared to negative R\$27.0 million in 9M08.

Other investments in the international area totaled R\$8.4 million in 3Q09 versus R\$9.9 million in 3Q08. Year-to-date losses amount to R\$36.0 million, compared to R\$26.3 million in 9M08. These investments are basically comprised of our operation in France and our one-off expenses to discontinue the U.S. project.

> CONFERENCE CALL & WEBCAST

Portuguese: Friday, October 23, 2009
10 A.M. – Brasília time (8 A.M. EST)

English: Friday, October 23, 2009
12 P.M. – Brasília time (10 A.M. EST)

Brazilian callers: +55 (11) 4688-6301

US 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

> INVESTOR RELATIONS

Telephone: + 55 (11) 4196-1421

Helmut Bossert, helmutbossert@natura.net

Patrícia Anson, patriciaanson@natura.net

Renata Chaves, renatachaves@natura.net

Guilherme Fukuda, guilhermefukuda@natura.net

> Consolidated Income Statement

R\$ million	3Q09	3Q08 (Restated)	9M09	9M08 (Restated)
GROSS SALES				
Gross sales to domestic market	1,353.4	1,163.4	3,729.3	3,142.3
Gross sales to foreign market	97.0	67.2	273.1	181.7
Other sales	0.3	0.3	1.0	1.0
GROSS OPERATING REVENUES	1,450.7	1,230.9	4,003.3	3,324.9
Taxes on sales, returns and rebates	(395.8)	(321.0)	(1,080.5)	(883.3)
NET OPERATING REVENUES	1,054.9	909.9	2,922.8	2,441.6
Cost of sales	(313.6)	(271.5)	(877.3)	(745.3)
GROSS PROFIT	741.3	638.4	2,045.5	1,696.4
OPERATING (EXPENSES) INCOME				
Selling	(368.7)	(325.9)	(1,042.3)	(871.5)
General and administrative	(124.7)	(96.4)	(361.7)	(308.1)
Management compensation	(2.0)	(3.3)	(10.8)	(9.7)
Other operating income (expenses), net	4.8	4.6	5.4	33.3
INCOME FROM OPERATIONS BEFORE FINANCIAL EFFECTS	250.7	217.3	636.1	540.3
Financial expenses	(27.0)	(11.1)	(98.3)	(54.6)
Financial income	11.4	14.0	76.9	43.7
INCOME BEFORE TAXES ON INCOME	235.1	220.2	614.7	529.4
Income tax and social contribution - current	(56.7)	(29.1)	(147.8)	(166.9)
Income tax and social contribution - deferred	11.8	(31.4)	30.4	16.9
NET INCOME	190.2	159.7	497.3	379.4

We would like to point out that the 2008 data are being presented again for two reasons: (i) adjustments of Law 11,638/638 previously reflected in the 2008 results now shown by quarter; and (ii) reclassification of raw material sales for processing by third parties, previously considered revenue. We emphasize that this adjustment does not affect the absolute value of the consolidated gross margin. We present below a table with the reclassified values of gross revenue and net revenue:

> Gross Revenues and Net Revenues - Consolidated

	1Q08		2Q08		3Q08	
	Restated	Previous	Restated	Previous	Restated	Previous
Gross Revenues	907.3	923.3	1,186.7	1,199.1	1,230.9	1,246.2
Net Revenues	657.8	668.0	873.9	883.1	909.9	921.1

	1Q09		2Q09	
	Restated	Previous	Restated	Previous
Gross Revenues	1,139.8	1,154.9	1,412.8	1,433.7
Net Revenues	833.6	844.7	1,034.3	1,049.4

> Consolidated Balance Sheet on 09/30/2009 and 06/30/2009

ASSETS	3Q09	2Q09	LIABILITIES AND SHAREHOLDERS' EQUITY	3Q09	2Q09
CURRENT ASSETS			CURRENT LIABILITIES		
Cash, Banks and cash investments	231.8	295.6	Loans and financing	477.0	325.4
Trade accounts receivable	435.9	373.9	Domestic suppliers	218.5	211.4
Inventories	526.7	425.8	Foreign suppliers	4.3	7.5
Recoverable taxes	137.6	129.0	Salaries, profit sharing and related charges	136.9	109.6
Deferred income and social contribution taxes	86.9	76.9	Taxes payable	204.2	181.6
Allowance for unrealized gains with derivatives	-	4.0	Dividends	0.2	215.3
Advances to employees and suppliers	6.7	5.6	Accrued freight	24.2	26.9
Other receivables	70.7	77.3	Reserve for tax, civil and labor contingencies	19.7	17.8
Total current assets	1,496.3	1,388.2	Allowance for losses on swap and forward transactions	4.9	-
			Other payables	34.4	25.3
			Total current liabilities	1,124.3	1,120.8
NONCURRENT ASSETS			NONCURRENT LIABILITIES		
Long-term assets:			Loans and financing		
Cash investments	5.7	5.5		129.6	143.3
Recoverable taxes	96.0	70.9	Reserve for tax, civil and labor contingencies	56.1	57.5
Deferred income and social contribution taxes	59.1	56.1	Total noncurrent liabilities	185.7	200.8
Escrow deposits	56.8	49.5	SHAREHOLDERS' EQUITY		
Advances to suppliers	1.8	1.8	Capital	402.1	401.2
Property, plant and equipment	455.8	455.9	Capital reserves	143.3	142.0
Intangible assets	84.6	82.2	Profit reserves	161.7	160.9
Total noncurrent assets	759.6	721.9	Valuation adjustments to shareholders' equity	(18.4)	(7.5)
			Treasury shares	(0.0)	(0.0)
			Retained earnings	257.1	92.0
			Total shareholders' equity	945.9	788.4
TOTAL ASSETS	2,255.9	2,110.0	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,255.9	2,110.0

> Consolidated Cash Flow Statement

R\$ million	9M09	9M08 (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	497.3	379.4
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	68.0	64.9
Inflation and exchange rate fluctuations	(27.8)	16.8
Allowance for (gains) / losses on derivative transactions	(1.0)	2.5
Reserve for tax, civil and labor contingencies	(0.1)	4.9
Deferred income tax and social contribution	(31.4)	(16.9)
Proceeds from sale and disposal of property, plant and equipment and intangible assets	5.2	8.6
Interest on loans and financings	20.7	21.9
Expenses on stock options plans	5.1	5.0
Allowance for inventory losses and doubtful accounts	2.6	1.6
Subtotal	538.4	488.5
(INCREASE) DECREASE IN ASSETS		
Current assets:		
Trade accounts receivable	35.3	163.5
Inventories	(196.4)	(102.7)
Recoverable taxes	(15.3)	(56.1)
Other receivables	(2.6)	35.8
Noncurrent assets (long-term assets):		
Escrow deposits	(8.3)	(7.1)
Recoverable taxes	(75.2)	(0.4)
Other receivables	6.2	2.3
Subtotal	(256.2)	35.3
INCREASE (DECREASE) IN LIABILITIES		
Current liabilities:		
Suppliers	36.6	15.1
Salaries, profit sharing and related charges, net	6.2	26.9
Taxes payable, net	26.4	(37.8)
Other payables	(3.4)	(2.9)
Noncurrent liabilities (long-term liabilities):		
Other payables	(10.8)	(16.3)
Subtotal	54.9	(15.0)
NET CASH PROVIDED BY OPERATING ACTIVITIES	337.1	508.8
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment and intangible assets	(76.8)	(61.0)
NET CASH USED IN INVESTING ACTIVITIES	(76.8)	(61.0)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of loans and financing - principal	(330.3)	(423.0)
Repayments of loans and financing - interest	(15.8)	(13.6)
Funding - loans and financing	496.0	374.6
Payments of derivative transactions	12.3	(8.0)
Payment of dividends	(469.4)	(425.7)
Payment of interest on capital	(82.5)	-
Capital increase	10.7	0.3
Acquisition of treasury shares	-	(21.1)
Sale of treasury shares due to exercise of stock options	-	3.1
NET CASH USED IN INVESTING ACTIVITIES	(379.0)	(513.4)
INCREASE (DECREASE) IN CASH AND BANKS	(118.7)	(65.5)
Cash, banks and cash investments at beginning of year	350.5	405.4
Cash, banks and cash investments at end of year	231.8	339.9
INCREASE (DECREASE) IN CASH AND BANKS	(118.7)	(65.5)

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 "foresees", "wishes", "hopes", "forecasts", "intends", "plans", "predicts", "projects", "aims" and similar terms intend to identify statements that, necessarily, involve known and unknown risks. Known risks include uncertainties, which are not limited to the impact of price and product competition, product acceptance in the market, the product transition of the Company and its competitors, regulatory approval, currency, 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; therefore, they are non-audited figures. 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.