São Paulo, February 15, 2012 – Natura Cosméticos S.A. (BM&FBovespa: NATU3) announces today its results for the fourth quarter of 2011 (4Q11). Except where stated otherwise, the financial and operating information in this release is presented on a **consolidated basis**, in accordance with International Financial Reporting Standards (IFRS).

INTRODUCTION

Consolidated net revenue in fiscal year 2011 was R$ 5,591.4 million, up 8.9% from 2010. EBITDA was R$ 1,425.0 million, representing growth of 13.4% and EBITDA margin of 25.5% (24.5% in 2010). Net income in the year was R$ 830.9 million, for growth of 11.7% and net margin of 14.9% (14.5% in 2010).

In the fourth quarter of 2011 (4Q11), consolidated net revenue was R$ 1,670.5 million, representing growth of 7.3% in relation to the year-ago period. EBITDA was R$ 500.4 million in the quarter, rising 39.8% from 4Q10, with EBITDA margin of 24.1%. Net income was R$ 290.7 million, up 32.5% on 4Q10, with net margin of 17.4%.

In the Brazilian operations net revenue in the year grew 6.8% to R$ 5,087.6 million. EBITDA margin was 29.0% in 2011, expanding from 28.0% in the previous year.

In the international operations net revenue in 2011 was R$ 503.8 million, representing growth of 40.0% in weighted local currency. EBITDA[1] in these operations was a loss of R$ 51.1 million, improving by R$ 27.3 million from the loss of R$ 78.4 million in 2010.

2011 highlights:

- The total consultant base reached 1,421,000 in the year, expanding by 16.3% from 2010. In Brazil, we ended 2011 with 1,175,000 consultants, for growth of 14.3%, and with 13,250 CNOs (Super Consultants). In the international operations, the number of consultants was 246,000, for growth of 27.1% on a year earlier.

- In Brazil, according to the survey conducted by Brand Essence/Ipsos, the Natura brand remained at the top with 47% of consumer preference (49% in 2010). In the international operations we obtained significant advances in our brand recall and

[1] Based on pro forma EBITDA.

preference levels. In Argentina and Peru, we are among the top three brands in terms of consumer preference in the Cosmetic, Fragrance and Toiletry (CFT) sector.

- In Brazil, according to the latest data from Sipatesp/Abihpec[2], Natura's target market grew by 7.7% in the first 10 months of 2011. Natura's market share stood at 23.2% in the year, for a decline of 36 basis points. The following table presents the growth in the CFT industry and Natura's market share.

- **ABIHPEC/SIPATESP – target market of cosmetic, fragrance and toiletry products in Brazil and Natura's market share**

	Core Market (R$ million)			Market Share - Natura (%)		
	10M11	10M10	Change %	10M11	10M10	Change %
Cosmetics and Fragrances	8,209.9	7,686.1	6.8%	33.7%	34.3%	(0.6)
Toiletries	8,579.5	7,910.0	8.5%	13.1%	13.1%	0.0
Total	**16,789.4**	**15,596.1**	**7.7%**	**23.2%**	**23.5%**	**(0.4)**

Source: SIPATESP

- The innovation[3] index stood at 64.8% in the year (65.7% in 2010), remaining stable in relation to recent years. We launched 168 products in 2011, with the highlights the re-launch of the Natura EKOS line and the launch of the new lines Higeia and VôVó.

- We invested regularly in infrastructure projects aimed at improving the quality of the service provided to our consultants and final consumers in order to prepare the company for growth and to capture efficiency gains. The main projects were:

    - Expansion of the SAP[4] system for billing and ordering processes, which substituted 28 legacy systems;
    - Inauguration of a new Distribution Center (DC) in the state of Paraná and expansion of three existing ones, for a total of 8 DCs in Brazil;
    - Reformulation of processes and systems for planning demand; and
    - Launch of the expansion of our production capacity and the construction of a new Distribution and Logistics Center in São Paulo, which will be concluded within the next 15 months.

The high complexity of these projects and simultaneously implementing them contributed to a temporary drop in the level of service provided to our consultants and

[2] Sipatesp/Abihpec: São Paulo State Perfumery and Toiletry Association / Brazilian Cosmetic, Fragrance and Toiletry Industry Association.
[3] The innovation index is based on revenue in the last 12 months from products launched in the last 24 months.
[4] SAP: system that offers an integrated set of modules for business management, which include: manufacturing, financial, sales, distribution and human resources.

final consumers, which negatively impacted sales in Brazil in the second half of the year.

- The international operations, on the other hand, made an important contribution and already account for 9.0% of consolidated net revenue (9.5% in 4Q11). The operations in consolidation (Argentina, Chile and Peru) registered net revenue growth in weighted local currency of 36.1% in 2011. EBITDA was a gain of R$ 43.0 million, for EBITDA margin of 12.8% (R$ 13.1 million and EBITDA margin of 5.1% in 2010). In the operations in implementation (Mexico and Colombia), net revenue in weighted local currency grew by 55.6% in the year.

- Still in the international operations, we made progress in our strategy of adapting our activities to the local reality. In Mexico, we implemented a new sales model (Sustainable Relations Network) and in Peru and Colombia we launched the CNO Super Consultant model. The model based on local production using third parties, which has been used in Argentina since 2010, was extended to the production of soaps in Colombia.

- Natura ended the year with a cash balance of R$ 515.6 million and net debt of R$ 1,130.0 million, which corresponds to 0.4x EBITDA. Free cash flow[5] was R$ 410.6 million, down 42.7% in relation to 2010. This reduction was due to the higher investments in infrastructure projects (fixed assets) and the higher consumption of working capital, in particular for the increased inventory coverage and higher recoverable taxes.

- In 2011, we launched the Programa Amazônia (Amazon Program) with the goal of contributing to the region's sustainable development, which involved creating a large network that fosters the valuing of social and biodiversity and captures the business potential that exists in the Amazon, while contributing to social and economic development and the conservation of biodiversity.

- We reduced our greenhouse gas (GHG) emissions by 5.3%, bringing to 25.4% the cumulative reductions in the period from 2007 to 2011. We launched a new bidding process for selecting emissions-neutralization projects in 2011-2012 and we contracted the first carbon-offset projects outside of Brazil, which are located in Colombia.

- In our social investments, which are made through the Natura Institute, we are focused on offering educational technologies that promote large-scale transformation in society that contributes to the formulation of new public policies in the area of education. One example is the Projeto Trilhas *(*Paths Project), which promotes reading and writing in preschool education and was adopted by the Ministry of Education. Through the

[5] Free Cash: (internal cash generation) +/- (variations in working capital and long-term assets and liabilities) – (acquisitions of fixed assets).

Programa Crer para Ver – CPV (Believing is Seeing Project), we raised R$ 8.4 million and reached 345 cities in Brazil, involving 4,900 schools and 940,000 people including students, teachers, coordinators and principals.

The following table shows the final results of the indicators with the respective targets for 2011:

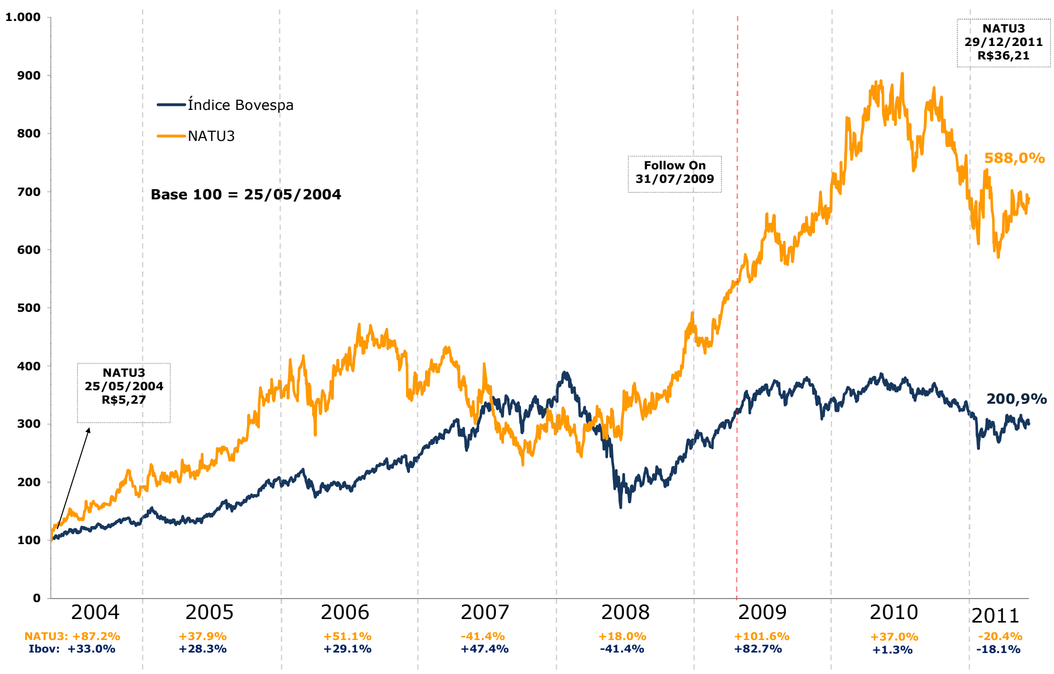
Indicator	2010 Result	2011 Commitment	2011 Result
Greenhouse gases	-7.3% (21.2% cumulative)	Reduce GHG emissions 33% by 2013, based on the inventory we conducted in 2006.	-5.3% (25.4% cumulative)
Water consumption *	0.42 liter/unit produced	Reduce total water consumption per unit produced by 4.8%	0.40 liter/unit produced (4.8% reduction)
Funds raised by CPV program	R$ 10.0 million	Raise R$ 13 million from product sales under the Believing is Seeing (CPV) program	R$ 8.4 million

* The water consumption metric was changed from units billed to units produced to allow for adjusting the metric to inventories.

Natura Stock (NATU3)

In 2011, the price of Natura stock declined by 20.4%, while the Bovespa Index fell by 18.1%. Average daily trading volume in the period was R$ 43 million.

The following chart shows the performance of Natura stock since its IPO:



Recognition

In 2011, Natura received important awards for its recognized corporate behavior. The main awards are listed below:

- World's 8th Most Innovative Company – *Forbes Magazine*
- Brazil's Most Admired Company for 3rd straight year – *Carta Capital*
- World's Most Ethical Companies, 1st place in Health and Beauty category – Ethisphere
- World's 2nd Most Sustainable Company - Corporate Knights Inc., Innovest Strategic Value Advisors, Asset 4 and Bloomberg
- Top Companies for Shareholders, Market cap over R$ 15 billion, 1st place for second straight year - *Capital Aberto*

Outlook

Brazil remains one of the most prosperous cosmetic, fragrance and toiletry markets in the world. Although in 2011 its growth slowed from previous years, Brazil's CFT market will most certainly continue to outpace the growth in the global CFT industry.

In 2011, we made the largest investment in our history, allocating some R$ 350 million (capex) to production, logistics and technology projects, which are indispensable for supporting our growth. We recognize that simultaneously implementing new systems for capturing orders and developing our logistics model, with the inauguration of new DCs, led to the instability of our operations, which in turn affected the quality of our service and relationships. At the same time, we faced a reduction in the efficiency of our sales and marketing areas. The combination of these two factors impacted our results and required adjustments to our strategy during the year.

We are focused on ensuring the success of our promotions, by better balancing the processes conducted in a centralized way and those managed regionally. We remain intently focused on capturing efficiency gains in the company's various processes, which will generate the funds needed to operate effectively in an ever more competitive market.

We are certain that the shift to a new level in our infrastructure to ensure products reach consultants as fast as possible, and with a lower cost per order, will allow us to achieve a new standard in service quality that will further boost our brand's competitive advantages.

Given the high level of penetration Natura products, which are present in around 100 million Brazilian homes, and the Natura brand's leadership in consumer preference, which is almost twice as high as the second-ranked brand, we now have an opportunity to increase the frequency with which consumers buy and the variety of products they acquire. And we expect this new strategy to drive increases in consultant productivity. Therefore, among other initiatives, we are shifting the focus of our marketing mix and working on innovations to fill the spaces where our brand is not yet present.

We remain confident and enthusiastic about the expansion of our international operations, which are consolidating their position as a relevant business platform that can express Natura's values in the region. In Latin America countries, we are expanding the sales channel and advancing our manufacturing activities, which pave the way for accelerating our expansion in a market as large as Brazil's and in which there is still much room for growth.

At the same time in which we are promoting development on multiple fronts, we are advancing towards a new outlook for the business. We are motivated in particular by the future of direct sales. We have always believed in the entrepreneurial and transformational capacity of people who are engaged in a common purpose. In a world ever more connected digitally, in which the personalized treatment of each consumer gains greater relevance, direct sales has an excellent opportunity to continue expanding. We see a future in which the relationship between consultant and consumer will be supported by high technology and social networks, which is an area in which services can evolve dramatically while leveraging the creation of value for all involved.

Inspired by the permanent desire to see our brand move into new areas, we reaffirm our enthusiasm with the prospect of moving forward together with all those who are part of the Natura community and giving even more meaning to the network of relations we build.

1. consolidated results

(R$ million)	4Q11	4Q10	Change %	2011	2010	Change %
Total Consultants - end of period* (in thousands)	1,421.1	1,220.5	*16.4*	1,421.1	1,220.5	*16.4*
Units sold – items for resale (in million)	131.1	120.2	*9.1*	445.5	404.7	*10.1*
Gross Revenues	2,232.6	2,111.1	*5.8*	7,535.8	6,959.8	*8.3*
Net Revenues	1,670.5	1,557.5	*7.3*	5,591.4	5,136.7	*8.9*
Gross Profit	1,174.2	1,076.9	*9.0*	3,925.1	3,579.9	*9.6*
Sales Expenses	(543.2)	(500.7)	*8.5*	(1,952.7)	(1,704.3)	*14.6*
Administrative Expenses	(198.8)	(216.6)	(8.2)	(680.7)	(605.4)	*12.4*
Employee profit sharing	(5.1)	(17.5)	(70.7)	(30.2)	(70.4)	*(57.1)*
Management compensation	0.3	(4.2)	*n/a*	(9.4)	(14.4)	*-34.5*
Other Operating Income / (Expenses), net	42.1	(3.4)	*n/a*	63.1	(17.5)	*n/a*
Financial Income / (Expenses), net	(41.6)	(14.9)	*179.6*	(77.3)	(49.7)	*55.5*
Earnings Before Taxes	427.8	319.6	*33.9*	1,237.7	1118.2	*10.7*
Net Income (Losses)	290.7	219.3	*32.5*	830.9	744.1	*11.7*
EBITDA**	500.4	357.9	*39.8*	1,425.0	1,256.8	*13.4*
Gross Margin	*70.3%*	*69.1%*	*1.1pp*	*70.2%*	*69.7%*	*0.5pp*
Sales Expenses/Net Revenues	*32.5%*	*32.2%*	*0.4pp*	*34.9%*	*33.2%*	*1.7pp*
General and Admin. Expenses/Net Revenues	*11.9%*	*13.9%*	*(2.0pp)*	*12.2%*	*11.8%*	*0.4pp*
Net Margin	*17.4%*	*14.1%*	*3.3pp*	*14.9%*	*14.5%*	*0.4pp*
EBITDA Margin	*30.0%*	*23.0%*	*7.0pp*	*25.5%*	*24.5%*	*1.0pp*

(*) Positon at the end of the 18th sales cycle

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

Consolidated net revenue in 4Q11 reached R$ 1,670.5 million, for growth of 7.3% from 4Q10 (R$ 5,591.4 million in 2011, up 8.9% on 2010).

In Brazil, net revenue reached R$ 1,511.0 million in 4Q11, or 4.4% higher than in the same quarter last year. In the year, net revenue in Brazil was R$ 5,087.6 million, for growth of 6.8% on the previous year.

In the international operations, net revenue in 4Q11 was R$ 159.5 million, for growth on the year-ago period of 44.6% in Brazilian real and 42.7% in weighted local currency. Net revenue from these operations was R$ 503.8 million in the year, representing increases of 35.4% in BRL and 40.0% in weighted local currency.

Cost of goods sold remained in line with the result observed in the first nine months of the year. In 4Q11, COGS corresponded to 29.7% of consolidated net revenue, for a cost reduction of 120 basis points in relation to 4Q10. The gains from price increases and better cost management were partially offset by the increased use of promotions by consultants and consumers. In the year, COGS improved by 50 basis points on the previous year, corresponding to 29.8% of net revenue.

The following table presents the main components of COGS:

	4Q11	4Q10	2011	2010
RM/PM*	83.7	84.8	83.2	82.8
Labor	11.3	10.1	9.4	8.6
Depreciation	1.9	2.3	2.3	3.0
Others	3.1	2.9	5.0	5.6
Total	**100.0**	**100.0**	**100.0**	**100.0**

(*) Raw material and packaging material

Selling expenses corresponded to 32.5% of net revenue in 4Q11, for an increase of 30 basis points from 4Q10. As observed in previous quarters, there was lower dilution of fixed costs with logistics and the sales team. The international operations continued to invest more in marketing, in line with the strategy. In comparison with the overall industry, our marketing investments remain competitive. Selling expenses increased in the year, going from 33.2% in 2010 to 34.9% in 2011.

General and administrative expenses corresponded to 11.9% of net revenue in 4Q11 (13.9% in 4Q10). In 2011, G&A expenses corresponded to 12.2% of net revenue, versus 11.8% in the previous year. We continue to invest in product and marketing innovation and in 2011 we increased our investments in projects. In 4Q11, we intensified our efforts to capture efficiency gains and prioritize expenses without compromising our growth strategy for the future.

Expenses with profit sharing declined by 57.1% in relation to 2010, since the internal targets for the year were not achieved.

Other operating revenue and expenses came to R$ 42.1 million in the quarter, driven by the non-recurring impact from the recognition of PIS and Cofins tax credits on services relative to other periods and by the negotiations to reduce the value added margin (MVA)[6] in the state of Paraná and in the Federal District. In the year, the R$ 63.1 million in revenue also includes the non-recurring impacts from the recognition of a contingent PIS and Cofins asset (credits from taxes on both financial income and storage operations).

Consolidated net income was R$ 290.7 million in 4Q11, for net margin of 17.4% and growth in relation to 4Q10 of 32.5%. In the year, net income was R$ 830.9 million, for net margin of 14.9% and an increase of 11.7% from 2010.

Consolidated EBITDA in 4Q11 was R$ 500.4 million, growing by 39.8% from R$ 357.9 million in 4Q10. EBITDA margin expanded from 23.0% in 4Q10 to 30.0% in 4Q11. In 2011, EBITDA stood at R$ 1,425.0 million, expanding by 13.4% from 2010. EBITDA margin was 25.5%, in comparison with 24.5% in 2010. Excluding other operational expenses and revenue, EBITDA margin was 27.4% and 24.4%, respectively.

> EBITDA (R$ million)

(R$ million)	4Q11	4Q10	Change %	2011	2010	Change %
Net Revenues	1,670.5	1,557.5	*7.3*	5,591.4	5,136.7	*8.9*
(-) Cost of Sales and Expenses	1,201.0	1,223.0	*-1.8*	4,276.3	3,968.7	*7.7*
EBIT	**469.4**	**334.5**	***40.4***	**1,315.1**	**1,168.0**	***12.6***
(+) Depreciation/Amortization	30.9	23.5	*31.5*	109.9	88.8	*23.7*
EBITDA	**500.4**	**358.0**	***39.8***	**1,425.0**	**1,256.8**	***13.4***

> EBITDA *pro-forma* by areas of operation (R$ million)

(R$ million)	4Q11	4Q10	Change %	2011	2010	Change %
Brazil	499.4	376.6	*32.6*	1,476.1	1,335.2	*10.5*
Argentina, Chile and Peru	24.2	8.5	*184.7*	43.0	13.1	*227.2*
Mexico and Colombia	(3.6)	(7.9)	*(54.6)*	(24.2)	(32.5)	*(25.6)*
Others Investments	(19.7)	(19.3)	*1.8*	(69.9)	(59.1)	*18.3*
Total	**500.4**	**357.9**	***39.8***	**1,425.0**	**1,256.8**	***13.4***

[6] The value added margin (*Margem de Valor Agregado*), or MVA, is used in the calculation of ICMS state VAT tax on direct sales.

2. cash flow (pro-forma)

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

(R$ million)	2011	2010	Var %
Net income	**830.9**	**744.1**	***11.7***
(+) Depreciation and amortization	109.9	88.8	*23.7*
Internal cash generation	**940.8**	**833.0**	***13.0***
Cashflow (Increase) / Decrease	(207.2)	99.6	*na*
(+) Non-cash	23.3	20.7	*12.6*
Operating cash generation	**756.9**	**953.2**	***(20.6)***
Capex	(346.4)	(236.9)	*46.2*
Free cash flow*	**410.6**	**716.4**	***(42.7)***

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

Internal cash flow in the year was R$ 940.8 million, registering growth of 13.0% on 2010, which is in line with the 11.7% growth in net income in the period. Of this sum, R$ 207.2 million was invested in working capital and R$ 346.4 million in fixed assets. As a result, free cash flow was R$ 410.6 million, declining 42.7% in relation to 2010.

We continue to observe an increase in inventory coverage, which was impacted mainly by lower-than-expected sales. We also observed an increase in recoverable taxes due to the review of PIS and Cofins taxes on services, financial income and freight, which will be converted into cash in the first half of 2012.

We believe the planning model adopted will allow us to reduce inventory coverage over the year. This initiative, as well as the conversion of recoverable taxes into cash, will make possible significantly higher levels of working capital in 2012.

Investments in fixed assets reached R$ 346.4 million at the end of the year, surpassing the initial guidance by 15%. We continue to invest in the logistics, manufacturing and information technology areas.

Investments in fixed assets in 2012 are estimated at R$ 420 million and are concentrated in continuous improvements in our information technology platform, the last phase of the implementation of the logistics model and expanding industrial capacity.

We are working to achieve a new level for our infrastructure to ensure our products reach consultants as fast as possible, accompanied by lower order costs and reductions in the gases that cause global warming.

3. pro-forma income statement

The profit margin obtained on exports from Brazil to the international operations was subtracted from the COGS of the respective operations in order to show the actual impact of these subsidiaries on the company's consolidated results. Accordingly, the pro-forma income statement for the Brazilian operations considers only the sales made in the domestic market.

3.1 BRAZIL OPERATIONS (pro-forma income statement)

(R$ million)	4Q11	4Q10	Change %	2011	2010	Change %
Total Consultants - end of period* (in thousands)	1,175.5	1,028.7	*14.3*	1,175.5	1,028.7	*14.3*
Units sold – items for resale (in million)	117.7	110.3	*6.8*	410.5	378.7	*8.4*
Gross Operating Revenues	2,030.8	1,971.6	*3.0*	6,898.9	6,489.6	*6.3*
Net Operating Revenues	1,511.0	1,447.2	*4.4*	5,087.6	4,764.6	*6.8*
Gross Profit	1,072.3	1,009.6	*6.2*	3,611.3	3,356.4	*7.6*
Sales Expenses	(468.7)	(440.2)	*6.5*	(1,686.5)	(1,487.4)	*13.4*
General and Administrative Expenses	(170.7)	(190.3)	*(10.3)*	(577.9)	(516.2)	*12.0*
Employee profit sharing	(5.1)	(17.5)	*(70.7)*	(30.2)	(70.4)	*(57.1)*
Management compensation	0.3	(4.2)	*n/a*	(9.4)	(14.4)	*(34.5)*
Other Operating Income / (Expenses), net	42.2	(2.7)	*n/a*	65.7	(15.7)	*n/a*
Financial Income / (Expenses), net	(40.0)	(14.3)	*179.2*	(73.5)	(47.9)	*53.3*
Earnings Before Taxes	430.4	340.4	*26.4*	1,299.4	1204.4	*7.9*
Net Income (Losses)	293.2	239.4	*22.5*	901.1	836.0	*7.8*
EBITDA	499.4	376.6	*32.6*	1,476.1	1,335.2	*10.5*
Gross Margin	*71.0%*	*69.8%*	*1.2pp*	*71.0%*	*70.4%*	*0.5pp*
Sales Expenses/Net Revenues	*31.0%*	*30.4%*	*0.6pp*	*33.1%*	*31.2%*	*1.9pp*
General and Admin. Expenses/Net Revenues	*11.3%*	*13.1%*	*(1.9pp)*	*11.4%*	*10.8%*	*0.5pp*
Net Margin	*19.4%*	*16.5%*	*2.9pp*	*17.7%*	*17.5%*	*0.2pp*
EBITDA Margin	*33.1%*	*26.0%*	*7.0pp*	*29.0%*	*28.0%*	*1.0pp*

(*) Number of consultants by the end of the 18th cycle of sales

- The sales channel continues to register solid growth, expanding by 14.3% to 1,175,000 consultants in Brazil.
- The aggregate productivity[7] of our consultants declined 7.9% to R$ 8,808 in 2011, versus R$ 9,559 in 2010.

[7] Productivity measured at retail prices.

3.2 OPERATIONS IN CONSOLIDATION (Argentina, Chile and Peru) pro-forma income statement

(R$ million)	4Q11	4Q10	Change %	2011	2010	Change %
Total Consultants - end of period (in thousand)	157.3	130.5	*20.5*	157.3	130.5	*20.5*
Unit sold – items for resale (in million)	9.1	5.0	*80.2*	32.9	23.6	*39.3*
Gross Revenues	141.1	97.3	*45.0*	441.5	335.9	*31.5*
Net Revenues	107.2	73.8	*45.2*	335.1	255.7	*31.0*
Gross Profit	69.5	46.3	*50.2*	212.5	157.3	*35.1*
Sales Expenses	(40.6)	(33.7)	*20.4*	(148.8)	(124.4)	*19.7*
General and Administrative Expenses	(6.4)	(4.2)	*51.8*	(23.2)	(21.5)	*7.9*
Others Income / (Expenses), net	0.6	(0.9)	*n/a*	(1.1)	(1.7)	*(34.3)*
Financial Income / (Expenses), net	(1.8)	(0.7)	*159.9*	(2.6)	(0.8)	*211.8*
Earnings Before Taxes	21.3	6.8	*214.1*	36.6	8.9	*n/a*
Net Income (Losses)	22.7	6.4	*254.9*	31.9	3.7	*n/a*
EBITDA	24.2	8.5	*184.7*	43.0	13.1	*227.2*
Gross Margin	*64.8%*	*62.7%*	*2.2pp*	*63.4%*	*61.5%*	*1.9pp*
Sales Expenses/Net Revenues	*37.9%*	*45.7%*	*(7.8pp)*	*44.4%*	*48.6%*	*(4.2pp)*
General and Admin. Expenses/Net Revenues	*5.9%*	*5.7%*	*0.3pp*	*6.9%*	*8.4%*	*(1.5pp)*
Net Margin	*21.2%*	*8.7%*	*12.5pp*	*9.5%*	*1.5%*	*8.1pp*
EBITDA Margin	*22.6%*	*11.5%*	*11.1pp*	*12.8%*	*5.1%*	*7.7pp*

- In the operations in consolidation, net revenue was R$ 107.2 million in 4Q11, for growth in relation to 4Q10 of 42.0% in weighted local currency and 45.2% in Brazilian real. In 2011, net revenue reached R$ 335.1 million, for growth of 36.1% and 31.0%, respectively.
- The number of consultants grew by 20.5% to end the year at 157,300.
- These operations posted positive EBITDA of R$ 24.2 million in the quarter and R$ 43.0 million in the year. The higher investments in marketing were offset by the dilution of expenses with our administrative operations and sales team and by the higher efficiency of our logistics operations.

3.3 OPERATIONS IN IMPLEMENTATION (Mexico and Colombia) pro-forma income statement

(R$ million)	4Q11	4Q10	Change %	2011	2010	Change %
Total Consultants - end of period (in thousand)	85.6	60.2	*42.1*	85.6	60.2	*42.1*
Unit sold – items for resale (in million)	4.5	2.3	*94.5*	14.9	9.3	*60.7*
Gross Revenues	52.9	34.8	*51.9*	172.9	114.0	*51.7*
Net Revenues	45.6	30.0	*52.0*	149.2	98.3	*51.8*
Gross Profit	29.9	17.8	*67.9*	92.2	56.3	*63.8*
Sales Expenses	(28.1)	(21.9)	*28.3*	(99.8)	(76.0)	*31.3*
General and Administrative Expenses	(5.5)	(4.4)	*24.1*	(17.6)	(14.8)	*19.0*
Others Income / (Expenses), net	(0.4)	0.2	*n/a*	(1.1)	(0.1)	*n/a*
Financial Income / (Expenses), net	0.2	0.1	*50.0*	(1.2)	(1.0)	*27.6*
Earnings Before Taxes	(3.9)	(8.2)	*(52.0)*	(27.6)	(35.6)	*(22.4)*
Net Income (Losses)	(5.1)	(7.0)	*(26.4)*	(31.0)	(36.0)	*(13.9)*
EBITDA	(3.6)	(7.9)	*(54.6)*	(24.2)	(32.5)	*(25.6)*
Gross Margin	*65.5%*	*59.3%*	*6.2pp*	*61.8%*	*57.3%*	*4.5pp*
Sales Expenses/Net Revenues	*61.6%*	*73.0%*	*(11.4pp)*	*66.9%*	*77.3%*	*(10.4pp)*
General and Admin. Expenses/Net Revenues	*12.1%*	*14.8%*	*(2.7pp)*	*11.8%*	*15.1%*	*(3.3pp)*
Net Margin	*n/a*	*n/a*	-	*n/a*	*n/a*	-
EBITDA Margin	*n/a*	*n/a*	-	*n/a*	*n/a*	-

- In the operations in implementation, net revenue in 4Q11 was R$ 45.6 million, for growth of 54.0% in weighted local currency and 52.0% in BRL. In 2011, net revenue was R$ 149.2 million, for increases of 55.6% and 51.8%, respectively.
- The number of consultants expanded by 42.1% to close the year at 85,600.
- These operations continued to post EBITDA losses, of R$ 3.6 million in 4Q11 and R$ 24.2 million in the year, reflecting the ongoing investments made.

Other international investments, namely our operations in France and expenses with projects and corporate structures dedicated to the international operations, posted EBITDA losses of R$ 19.7 million in 4Q11 and R$ 69.9 million in 2011 (versus R$ 19.3 million in 4Q10 and R$ 59.1 million in 2010). In 2011, the nonrecurring expenses related to the new sales model in Mexico, which are allocated in this line, came to R$ 8.6 million.

4. DIVIDENDS AND INTEREST ON EQUITY

On February 15, 2012, the Board of Directors approved the proposal to be submitted to the Annual General Meeting to be held on April 13, 2012, for the payment of dividends and interest on equity relative to fiscal year 2011, in the amounts of R$ 762.6 million and R$ 61.1 million (R$ 51.9 million net of withholding tax), respectively.

On July 20, 2011, dividends of R$ 295.3 million and interest on equity of R$ 31.9 million net of withholding tax were paid, *ad referendum* the Annual Shareholders Meeting. The balance remaining to be paid on April 18, 2012, following ratification by the Annual General Meeting, is R$ 467.3 million as dividends and R$ 20.1 million as interest on equity net of withholding tax.

These dividends and interest on equity relative to fiscal year 2011 represent net remuneration of R$ 1.89 per share (R$ 1.65 per share in 2010) and correspond to 99% of net income in 2011.

CONFERENCE CALL & WEBCAST

Portuguese:	**Friday, February 17, 2012** **10:00 a.m. (Brazil Daylight Time)**
English:	**Friday, February 17, 2012** **12:00 p.m. (Brazil Daylight Time)**

From Brazil: +55 11 4688-6341
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Code: Natura

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NATU3 NOVO MERCADO BM&FBOVESPA

MSCI Índice de Ações com Tag Along Diferenciado ITAG Índice de Ações com Governança Corporativa Diferenciada IGC Índice Carbono Eficiente ICO2 Índice de Sustentabilidade Empresarial ISE 2012 Índice Brasil 50 IBRX 50

> BALANCE SHEET AT DECEMBER 31, 2011
(in thousands of Brazilian real - R$)

ASSETS	2011	2010
CURRENT ASSETS		
Cash and cash equivalents	515.6	560.2
Trade receivables	641.9	570.3
Inventories	688.7	571.5
Recoverable taxes	201.6	101.5
Derivatives	28.6	-
Other receivables	126.8	66.4
Total current assets	**2,203.3**	**1,869.9**
NONCURRENT ASSETS		
Long-term assets:		
Recoverable taxes	111.2	109.3
Deferred income tax and social contribution	189.6	180.3
Escrow deposits	295.8	337.0
Other noncurrent assets	29.9	44.9
Property, plant and equipment	800.4	560.5
Intangible assets	162.8	120.1
Total noncurrent assets	**1,589.8**	**1,352.0**
TOTAL ASSETS	**3,793.0**	**3,221.9**

LIABILITIES AND SHAREHOLDERS' EQUITY	2011	2010
CURRENT LIABILITIES		
Borrowings and financing	169.0	226.6
Trade and other payables	489.0	366.5
Payroll, profit sharing and related taxes	132.0	162.7
Taxes payable	446.8	366.0
Derivatives	-	4.1
Other payables	37.9	52.1
Total current liabilities	**1,274.7**	**1,178.0**
NONCURRENT LIABILITIES		
Borrowings and financing	1,017.7	465.1
Taxes payable	140.5	215.1
Provision for tax, civil and labor risks	65.0	73.8
Others provisions	44.8	32.4
Total noncurrent liabilities	**1,268.0**	**786.4**
SHAREHOLDERS' EQUITY		
Capital	427.1	418.1
Capital reserves	160.3	149.6
Earnings reserves	292.5	282.9
Treasury shares	(102.8)	(0.0)
Proposed additional dividend	490.9	430.1
Other comprehensive losses	(17.6)	(23.2)
Total equity attributable to owners of the Company	**1,250.2**	**1,257.5**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**3,793.0**	**3,221.9**

> INCOME STATEMENT FOR THE PERIOD ENDED DECEMBER 31, 2011

R$ million	2011	2010
NET REVENUE	**5,591.4**	**5,136.7**
Cost of sales	(1,666.3)	(1,556.8)
GROSS PROFIT	**3,925.1**	**3,579.9**
OPERATING (EXPENSES) INCOME		
Selling expenses	(1,952.7)	(1,704.3)
Administrative and general expenses	(680.7)	(605.4)
Employee profit sharing	(30.2)	(70.4)
Management compensation	(9.4)	(14.4)
Other operating income (expenses), net	63.1	(17.5)
INCOME FROM OPERATIONS BEFORE FINANCIAL (EXPENSES) INCOMI	**1,315.1**	**1,167.9**
Financial income	122.7	53.6
Financial expenses	(200.0)	(103.4)
INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION	**1,237.7**	**1,118.2**
Income tax and social contribution	(406.8)	(374.1)
NET INCOME	**830.9**	**744.0**

> CASH FLOW STATEMENT FOR THE PERIOD ENDED DECEMBER 31, 2011

(in thousands of Brazilian real - R$)

R$ million	2011	2010
CASH FLOW FROM OPERATING ACTIVITIES		
Net income	**830.9**	**744.0**
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	109.9	88.8
Provision for losses on swap and forward transactions	(14.3)	8.8
Provision for tax, civil and labor contingencies	(8.0)	3.5
Interest and inflation adjustment of escrow deposits	(51.2)	(18.1)
Income tax and social contribution	406.8	374.1
(Gain) loss on sale on property, plant and equipment and intangible assets	13.5	32.6
Interest and exchange rate changes on borrowings and financing and other liabilities	121.7	(5.1)
Exchange rate changes on other assets and other liabilities	(7.8)	-
Stock options plans expenses	13.4	11.3
Provision for discount on assignment of ICMS credits	0.3	0.5
Allowance for doubtful accounts	(0.7)	9.1
Allowance for inventory losses	19.7	30.1
Provision for healthcare plan and carbon credits	12.4	10.4
Recognition of untimely used tax credits	(16.9)	-
Recognition of tax credits related to lawsuit	(40.4)	-
	1,389.4	**1,290.1**
(INCREASE) DECREASE IN ASSETS		
Trade receivables	(70.9)	(126.6)
Inventories	(136.9)	(92.1)
Recoverable taxes	(45.2)	45.1
Other receivables	(158.0)	(41.4)
Subtotal	**(411.0)**	**(215.0)**
INCREASE (DECREASE) IN LIABILITIES		
Domestic and foreign suppliers	121.8	111.2
Payroll, profit sharing and related taxes, net	(30.7)	32.0
Taxes payable	24.1	50.8
Other payables	(14.1)	34.5
Provision for tax, civil and labor contingencies	(0.8)	(2.7)
Subtotal	**100.1**	**225.9**
CASH GENERATED BY OPERATING ACTIVITIES	**1,078.5**	**1,301.1**
OTHER CASH FLOWS FROM OPERATING ACTIVITIES		
Payments of income tax and social contribution	(319.6)	(269.0)
Payments of derivatives	(18.4)	(13.4)
Payment of interest on borrowings and financing	(76.7)	(44.9)
NET CASH GENERATED BY OPERATING ACTIVITIES	**663.8**	**973.8**

CASH FLOW FROM FINANCING ACTIVITIES		
Acquisition of property, plant and equipment and intangible assets	(346.4)	(236.9)
Proceeds from sale of property, plant and equipment and intangible assets	3.7	9.9
Withdrawal (payment) of escrow deposits	92.3	(86.5)
NET CASH USED IN INVESTING ACTIVITIES	**(250.3)**	**(313.5)**
CASH FLOW FROM FINANCING ACTIVITIES		
Repayments of borrowings and financing - principal	(648.7)	(781.9)
Proceeds from borrowings and financing	1,045.7	819.3
Payment of dividends and interest on capital	(430.1)	(357.6)
Interim dividends and interest on capital	(332.8)	(289.4)
Repurchase of treasury shares	(104.5)	-
Sale of treasury shares due to exercise of stock options	1.2	-
Capital increase through subscription of shares (353,289 common shares at average price of R$3	9.0	13.8
NET CASH USED IN FINANCING ACTIVITIES	**(460.1)**	**(595.8)**
Gains (losses) arising on translating foreign currency cash and cash equivalents	1.9	(4.5)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(44.6)**	**59.9**
Cash and cash equivalents at beginning of year	560.2	500.3
Cash and cash equivalents at end of year	515.6	560.2
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(44.6)**	**59.9**
NON-CASH TRANSACTIONS:		
Capital lease of property, plant and equipment	56.7	-
Offseting of tax liability and escrow deposit	114.3	-
ADDITIONAL INFORMATION TO THE STATEMENTS OF CASH FLOWS		
Restricted cash	6.8	6.2
Bank overdrafts - unused	235.5	265.5

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

EBITDA is not a measure under BR GAAP and does not represent cash flow for the periods presented. EBITDA should not be considered an alternative to net income as an indicator of operating performance or an alternative to cash flow as an indicator of liquidity. EBITDA does not have a standardized meaning and the definition of EBITDA used by Natura may not be comparable with that used by other companies. Although EBITDA does not provide under BR GAAP a measure of cash flow, Management has adopted its use to measure the Company's operating performance. Natura also believes that certain investors and financial analysts use EBITDA as an indicator of performance of its operations and/or its cash flow.

This report contains forward-looking statements. These forward-looking statements are not historical fact, but rather reflect the wishes and expectations of Natura's management. Words such as "anticipate", "wish", "expect", "foresee", "intend", "plan", "predict", "project", "desire" 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 competitiveness, the acceptance of products by the market, the transitions of the Company's products and those of its competitors, regulatory approval, currency fluctuations, supply and production difficulties and changes in product sales, among other risks. This report also contains certain pro forma data, which are prepared by the Company exclusively for informational and reference purposes and as such are unaudited. This report is up-to-date as of its publication date and Natura is under no obligation to update it in light of new information and/or future events.