

NATURA COSMÉTICOS S.A.

CNPJ/MF n.º 71.673.990/0001-77 Publicly-Held Company

NIRE 35.300.143.183

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS HELD ON MARCH 27, 2012

On March 27, 2012, at 4:00 pm., at the Company's registered office located in the city of Itapeccerica da Serra, State of São Paulo, at Rodovia Régis Bittencourt, s/n.º, km 293, Edifício I, met the totality of the members of the Board of Directors of **NATURA COSMÉTICOS S.A.**, and Mr. Pedro Luiz Barreiros Passos, acting as chairman of the meeting, invited Mr. Moacir Salztein to serve as secretary, in order to discuss the following matters: **(i)** the implementation of the Company's Second (2nd) Issuance of Promissory Notes, for public underwriting with restricted placement efforts, in accordance with CVM Ruling n.º 476, dated January 16, 2009, as amended ("Issuance", "Restricted Offering", "Promissory Notes" and "CVM Ruling 476/09", respectively), in the total amount of R\$400.000.000,00 (four hundred million reais); and **(ii)** authorize the Executive Board of Officers to take any and all actions necessary in order to put into practice the Issuance and the Restricted Offering, especially to hire financial institutions to be responsible for providing services of custody and payment of the Promissory Notes and for the coordination and underwriting of the Restricted Offering in a standby underwriting regime, to be carried out in accordance with CVM Ruling 476/09, as well as any other services providers related to the Issuance, the Restricted Offering, and/or the Promissory Notes.

Discussed such matters, the members of the Board of Directors unanimously approved without any reservations, the following:

1. Implement the Issuance, in accordance with CVM Ruling 134, dated November 1st, 1990, as amended, and the Restricted Offering, in accordance with CVM 476/09, which will have the following terms and conditions:

- (i) **Issuance's Total Amount:** the Issuance's total amount will be R\$400.000.000,00 (four hundred million reais) on the Issuance Date (as defined below) ("Issuance's Total Amount");
- (ii) **Number of Series:** the Issuance shall be implemented in a single series;
- (iii) **Issuance Amount of the Promissory Notes:** issuance of 200 (two hundred) Promissory Notes;

(iv) **Face Value:** each Promissory Notes shall have a face value of R\$2.000.000,00 (two million reais) on the Issuance Date (“Face Value”);

(v) **Issuance Date:** for all intents and purposes, the Issuance Date shall be the date of the Promissory Notes’ effective subscription and payment (“Issuance Date”);

(vi) **Form:** the Promissory Notes shall be issued physically, in the form of title, and shall be in custody with the Agent Bank (as defined below). The Promissory Notes shall be registered and be traded by full endorsement, of mere transfer of ownership, on which shall be a “no guarantee” clause;

(vii) **Proof of Ownership:** for all legal intents and purposes, the ownership of the Promissory Notes shall be proved by the respective physical credit (“Credit Title”). Regarding the Promissory Notes in electronic custody module *CETIP 21 – Títulos e Valores Mobiliários* (“CETIP 21”), its ownership shall be proved by the summary provided by *CETIP S.A. – Mercados Organizados* (“CETIP”) in favor of the respective owner of the Promissory Notes;

(viii) **Use of Proceeds:** the proceeds obtained through the placement of the Promissory Notes shall be used by the Company for matters related to the ordinary management of the Company, including the reinforcement of its working capital;

(ix) **Payment:** the Face Value of the Promissory Notes shall not be updated. The Face Value of the Promissory Notes shall accrue, from the Issuance Date until the date of actual payment, compensatory interest of the accumulated variation of 103.75% (one hundred and three point seventy five per cent) of the average daily rate of the daily Inter-financial Deposit rate (*Taxa de Depósito Interfinanceiro*), or DI rate, *over extra-grupo*, expressed as a percentage per year, based on 252 (two hundred and fifty two) business days, as calculated and informed by CETIP in the daily bulletin available in its website (<http://www.cetip.com.br>) (“Remuneration”). The Remuneration shall be calculated exponentially and cumulatively, *pro rata temporis* per business days elapsed, according to the criteria defined by CETIP in its “*Caderno de Fórmulas Notas Comerciais e Obrigações – CETIP21*”, available in the CETIP’s website (<http://www.cetip.com.br>), expressed in the instrument of the Promissory Notes. The Remuneration shall be fully paid to the Promissory Notes holder(s) (a) on the Maturity Date (as defined below); or (b) on the early liquidation date, on the occurrence of an early amortization event, pursuant to item (xvii) below;

(x) **Term and Maturity Date:** the Promissory Notes shall be limited to a term of up to 180 (one hundred and eighty) days from the Issuance Date (“Maturity Date”), without limitation to the provisions of item (xvii) below;

(xi) **Distribution:** the Promissory Notes shall be subject to the Restricted Offering to be carried out in accordance with CVM 476/09, in a standby underwriting agreement intermediated by Banco Itaú BBA S.A., financial institution with headquarters in the city of São Paulo, State of São Paulo, at Avenida Brig. Faria Lima, no 3.400, 4th floor, registered with CNPJ/MF under no. 17.298.092/0001-30 (“Underwriter”). The Promissory Notes shall be offered exclusively to qualified investors, as defined in accordance with article 109 of CVM Ruling 409, dated August 18, 2004, as amended, and article 4 of CVM Ruling 476/09 (“Qualified Investors”);

(xii) **Placement and Trading:** the Promissory Notes shall be registered for distribution on the primary market and trading on the secondary market, respectively, through the *SDT – Módulo de Distribuição de Títulos* and the module CETIP 21, both managed and operated by CETIP, with the distribution and trading financially settled in accordance with the procedures of CETIP and the Promissory Notes electronically in custody of CETIP. The Promissory Notes shall only be traded on regulated markets of securities after the expiration of 90 (ninety) days from the Issuance Date pursuant to articles 13 and 15 of CVM Ruling 476/09 and exclusively among Qualified Investors, considering that the Company is in compliance with its obligations under article 17 of CVM Ruling 476/09;

(xiii) **Subscription and Payment:** the Promissory Notes shall be paid-up through immediate payment, on the Maturity Date, in national currency, by the Face Value, in accordance with the procedures defined by CETIP, being possible the subscription with premium or discount, to be defined, if that is the case, in the act of subscription of the Promissory Notes, and on the provisions to be defined on the agreement of underwriting and public underwriting with restricted placement efforts of the Promissory Notes;

(xiv) **Payment Site:** the payments related to the Promissory Notes shall be made (a) according to the procedures established by CETIP, in case the Promissory Notes be in electronic custody on module CETIP 21, or (b) in the event that the Promissory Notes are not in electronic custody on module CETIP 21, at the Company’s main place of business;

(xv) **Guarantee/Aval Guarantee:** the Promissory Notes shall not be subject to any guarantees or aval guarantees;

(xvi) **Early Redemption:** the Promissory Notes shall not admit early redemption by the Company;

(xvii) **Early Maturity Events:** the Promissory Notes may be declared early due, regardless of prior notice, court notice or judicial notice, subject to the provisions of the Promissory Notes and of the other documents related to the Issuance and to the Restricted Offering, as applicable;

(xviii) **Default Charges:** occurring default in the payment of any amount due to the Promissory Notes holder(s), the default amounts shall be subject to (a) irreducible and non-compensatory conventional default fine of 2% (two per cent) on the amount in default; and (b) interest on arrears, calculated from the date of default to the date of the payment, of 1% (one per cent) a month, on the amount in default, regardless of notice or judicial or extrajudicial notification;

(xix) **Term Extension:** the terms for the payment of any obligations of the Promissory Notes shall be considered extended until the first following business day, if its maturity date is a day with no commercial or banking working time in the city of São Paulo, state of São Paulo, with no surcharge to the values due, except in the cases in which the payments shall be made through CETIP, event in which the term shall only be extended when the payment date is a national holiday, Saturday or Sunday; and;

(xx) **Agent Bank:** Itaú Unibanco S.A., financial institution with headquarters in the city of São Paulo, state of São Paulo, at Praça Alfredo Egydio de Souza Aranha, 100, registered with CNPJ/MF under the no 60.701.190/0001-04, shall be in charge of providing the services of custody and payment of the Promissory Notes (“Agent Bank”).

2. With respect to the provisions of the Company’s bylaws, authorize the Executive Board of Officers to take any and all actions, sign any contracts and or agreements necessary in order to put into practice the Issuance and the Restricted Offer, including but not limited to: (a) discuss, negotiate and define the terms and conditions of the Promissory Notes; (b) hire the Agent Bank and the Underwriter; and (c) hire any other providers of services related to the Issuance, the Restricted Offering and/or the Promissory Notes, including but not limited to the issuance agent and legal counsels.

As there was no more business to be transacted, these minutes were read, approved and signed by all present. Signatures: Pedro Luiz Barreiros Passos, Chairman of the Meeting and Co-Chairman of the Board; Antonio Luiz da Cunha Seabra, Co-Chairman of the Board; Guilherme Peirão Leal, Co-Chairman of the Board; Luiz Ernesto Gemignani, Director; Marcos de Barros Lisboa, Director; Julio Moura Neto, Director; and Moacir Salzstein, Meeting’s Secretary of the Meeting.

I certify that is a summary of the minutes registered in the Company’s book.

Moacir Salzstein
Secretary of the Meeting