

São Paulo, 12 de fevereiro de 2014 – A Natura Cosméticos S.A. (BM&FBOVESPA: NATU3) anuncia hoje os resultados do quarto trimestre de 2013 (4T13) e do exercício 2013. As informações financeiras e operacionais a seguir, exceto onde indicado o contrário, são apresentadas em base consolidada, de acordo com as normas internacionais de relatório financeiro IFRS.

# RESULTADOS

## 4T13

**No 4T13, vendas no Brasil crescem 9,3% e as operações da América Latina crescem 34,5%  
Natura atinge o compromisso de reduzir em 33% emissões relativas de gases de efeito estufa**

No quarto trimestre de 2013, a receita líquida consolidada da Natura cresceu 15,5% frente ao 4T12 (10,5% no ano), o EBITDA<sup>1</sup> totalizou R\$ 538,7 milhões (R\$ 1.609,0 milhões no ano) e o lucro líquido R\$ 294,1 milhões (R\$ 842,6 milhões no ano).

Após um início de ano mais lento no Brasil, esses resultados confirmam o atingimento dos objetivos que nos propusemos no final do primeiro semestre: recuperar gradualmente o crescimento de receita e lucratividade e, ao mesmo tempo, realizar investimentos relevantes para nossa estratégia de médio prazo.

No Brasil, intensificamos os investimentos em marketing, lançamos com êxito a linha SOU, tivemos resultados robustos nas estratégias de datas comemorativas<sup>2</sup>, ampliamos as opções de meios de pagamentos para as consultoras e, em linha com nossa estratégia, recuperamos o crescimento das vendas e a produtividade das consultoras ao longo do segundo semestre do ano. No 4T13, em relação ao mesmo período do ano anterior, a receita líquida cresceu 9,3%, a produtividade<sup>3</sup> das consultoras 6,2% (1,4% no ano) e a base de consultoras 2,3% (3,9% no ano).

Em 2013, as operações internacionais representaram 14,4% de nossas vendas anuais (11,6% em 2012) e 14,6% no 4T13 (12,3% no 4T12); incluindo a Aesop, representaram 17,0% no 4T13. Os resultados favoráveis de receita, lucratividade, nível de serviços e aumento de preferência de marca em todos os países reforçam nossa convicção de que continuamos construindo uma plataforma de negócios robusta na região. No ano, a receita líquida das Operações em Consolidação cresceu 34,3% em moeda local (35,3% em Reais), enquanto nas Operações em Implantação a receita cresceu 24,5% em moeda local (37,7% em Reais), com destaque para o México, onde desde 2011 implantamos um modelo multinível (Rede de Relações Sustentáveis), que estimula o empreendedorismo e o crescimento acelerado da base de consultoras. Após a fase de aprendizado e ajustes no modelo, alcançamos ao longo de 2013 níveis elevados e sustentáveis de crescimento de número de consultoras, ultrapassando, em janeiro de 2014, a marca simbólica de 100 mil consultoras no México.

A AESOP, marca australiana de cosméticos que adquirimos em fevereiro de 2013, apresentou resultados alinhados com seu plano de crescimento. Foram abertas 28 lojas, inclusive em três novos países. Hoje, a AESOP tem 80 lojas e está presente em 10 países.

<sup>1</sup> Considera EBITDA pró-forma. Os dados referentes a 2012 e 4T12 foram reapresentados conforme item 6 deste documento.

<sup>2</sup> Dia dos Namorados, Dia das Mães, Dia dos Pais e Natal

<sup>3</sup> Produtividade a preços de varejo = (receita bruta do período/número de consultoras média do período)/(1- %lucro da consultora)

Valores em R\$ milhões	4T13	4T12	Var. (%)	2013	2012	Var. (%)
Receita Bruta Brasil	2.454,2	2.257,8	8,7	8.040,3	7.629,4	5,4
Receita Bruta Internacionais	395,2	293,4	34,7	1.273,5	936,6	36,0
<b>Receita Bruta ex. Aesop</b>	<b>2.849,4</b>	<b>2.551,2</b>	<b>11,7</b>	<b>9.313,8</b>	<b>8.566,1</b>	<b>8,7</b>
Receita Líquida Brasil	1.797,7	1.645,0	9,3	5.880,2	5.611,2	4,8
Receita Líquida Internacionais*	307,7	230,1	33,7	992,2	734,4	35,1
<b>Receita Líquida ex. Aesop</b>	<b>2.105,4</b>	<b>1.875,0</b>	<b>12,3</b>	<b>6.872,4</b>	<b>6.345,7</b>	<b>8,3</b>
<b>% Participação Receita Líquida Internacionais</b>	<b>14,6%</b>	<b>12,3%</b>	<b>2,3 pp</b>	<b>14,4%</b>	<b>11,6%</b>	<b>2,9 pp</b>
EBITDA Brasil pró-forma	506,1	453,1	11,7	1.557,1	1.523,7	2,2
% Margem EBITDA Brasil	28,2%	27,5%	0,6 pp	26,5%	27,2%	(0,7) pp
EBITDA Internacionais pró-forma	16,0	10,0	n/d	38,1	(11,8)	n/d
% Margem EBITDA Internacionais	5,2%	4,3%	0,9 pp	3,8%	(1,6)%	5,4 pp
<b>EBITDA ex. Aesop</b>	<b>522,1</b>	<b>463,1</b>	<b>12,7</b>	<b>1.595,2</b>	<b>1.511,9</b>	<b>5,5</b>
% Margem EBITDA ex. Aesop	24,8%	24,7%	0,1 pp	23,2%	23,8%	(0,6) pp

\*Crescimento em Moeda Local: 33,9% em 4T13 vs. 4T12 e 30,1% em 2013 vs. 2012

Em fevereiro de 2013, concluímos a aquisição da empresa Australiana AESOP. Para fins de melhor comparação, o quadro ao lado não inclui os efeitos da consolidação desta operação e dos custos desta transação.

Valores em R\$ milhões	4T13	4T12	Var. (%)	2013	2012	Var. (%)
<b>Receita Líquida Consolidada</b>	<b>2.165,6</b>	<b>1.875,0</b>	<b>15,5</b>	<b>7.010,3</b>	<b>6.345,7</b>	<b>10,5</b>
<b>EBITDA Consolidado</b>	<b>538,7</b>	<b>463,1</b>	<b>16,3</b>	<b>1.609,0</b>	<b>1.511,9</b>	<b>6,4</b>
% Margem EBITDA Consolidado	24,9%	24,7%	0,2 pp	23,0%	23,8%	(0,9) pp
<b>Lucro Líquido Consolidado</b>	<b>294,1</b>	<b>270,5</b>	<b>8,7</b>	<b>842,6</b>	<b>874,4</b>	<b>(3,6)</b>
% Margem Líquida Consolidada	13,6%	14,4%	(0,9) pp	12,0%	13,8%	(1,8) pp
<b>Geração Interna de Caixa</b>	<b>387,2</b>	<b>297,1</b>	<b>30,3</b>	<b>1.102,4</b>	<b>1.018,8</b>	<b>8,2</b>
<b>Geração de Caixa Livre</b>	<b>293,4</b>	<b>334,3</b>	<b>(12,3)</b>	<b>378,1</b>	<b>878,7</b>	<b>(57,0)</b>
<b>Dívida Líquida / EBITDA</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>0,73</b>	<b>0,36</b>	

Em 2013, nosso EBITDA cresceu 6,4%. Enquanto nas Operações Internacionais na América Latina o EBITDA passou de uma posição deficitária em 2012 para positiva em 2013, no Brasil, os maiores investimentos em marketing e promoções, além de uma menor diluição dos custos fixos em logística e a continuidade dos investimentos para o médio prazo, parcialmente compensados por ganhos de eficiência, resultaram em uma retração de 70 pontos base na margem. Encerramos o ano com uma margem EBITDA consolidada de 23,2% (23,8% em 2012), sendo 23,0% incluindo a Aesop. Esse patamar nos permitiu realizar os investimentos necessários para aumentar nossa competitividade no curto prazo e nos projetos relevantes para o médio prazo, como, por exemplo, na expansão da Rede Natura, planejada para 2014.

No ano, o lucro líquido consolidado<sup>4</sup> retraiu 3,6% frente a 2012, resultado do crescimento da depreciação, do aumento das despesas financeiras e da marcação a mercado. e. Ao excluirmos o impacto não-caixa dessa marcação a mercado de derivativos atrelados à dívida em moeda estrangeira, efeito temporário e que será anulado no vencimento de cada operação, o lucro líquido manteve-se estável frente a 2012.

Em 2013, a geração interna de caixa foi de R\$ 1.102,4 milhões, com crescimento de 8,2% frente a 2012. Investimos R\$ 170,5 milhões em capital de giro e R\$ 553,9 milhões em capex. Quanto ao capital de giro, embora tenha sido registrada uma elevação na comparação dezembro 2013 vs. dezembro 2012, especialmente pela extensão do prazo de pagamento concedido às consultoras, ao longo de 2013 operamos com uma posição média de capital de giro melhor que a de 2012. Quanto

<sup>4</sup> Lucro líquido consolidado incluindo resultado da Aesop.

ao capex, superamos em R\$ 116,4 milhões os valores de 2012, o que também explica a retração de 57,0% na geração de caixa livre.

Investimos nesse ano R\$ 553,9 milhões em capex (R\$ 437,5 milhões em 2012), principalmente, para consolidarmos nosso modelo logístico e para ampliarmos nossa capacidade produtiva em Cajamar e no Pará (Ecoparque). Esses investimentos resultaram na conquista de altos índices de qualidade do serviço prestado às consultoras e na redução do prazo de entrega dos pedidos, além de um melhor equilíbrio entre produção interna e em terceiros. Iniciamos também um novo ciclo de investimentos em tecnologia da informação, com destaque para a Rede Natura no Brasil.

Estimamos investimentos em Capex de R\$ 500 milhões em 2014, com uma participação maior em tecnologia da informação, destinados à expansão da Rede Natura e à evolução e integração dos sistemas transacionais nas Operações Internacionais. A capacidade produtiva e logística construída com os investimentos realizados nos últimos anos permite uma redução dos investimentos dessa natureza nos próximos anos.

Reafirmamos, assim, nosso entusiasmo com os excelentes resultados apresentados em nossas Operações Internacionais e com a recuperação do crescimento no Brasil ao longo do segundo semestre. Mesmo diante de uma concorrência cada vez mais acirrada no Brasil seguimos confiantes que nossa proposta de valor e execução de nossa estratégia nos manterá em uma posição de destaque nos países em que atuamos.

O ano de 2013 também foi marcado pela reafirmação da estratégia de médio prazo de ampliarmos o relacionamento com nossos consumidores através de outros canais e marcas, sendo a Aesop um exemplo concreto dessa trajetória. Avançamos de forma relevante na construção dos fundamentos para a execução dessa estratégia: aprendemos e estruturamos a Rede Natura durante o piloto em Campinas e São José dos Campos, investimos em capacidade logística e produtiva e redesenhamos nossa estrutura organizacional, de modo a sustentar as evoluções propostas para o modelo comercial e a incorporação de outras marcas e categorias.

# 1. mercado de higiene pessoal, perfumaria e cosméticos (HPPC)

Segundo os dados da SIPATESP/ABHIPEC<sup>5</sup>, conforme divulgamos no 3T13, nos primeiros seis meses de 2013 nosso market share havia apresentado uma retração de 1,8pp. Como explicado anteriormente, a partir do segundo semestre de 2013 recuperamos gradualmente o crescimento de receita no Brasil e reduzimos a perda de market share para 1,2pp (acumulado 10M13) conforme tabela abaixo:

Brasil	Tamanho de Mercado (R\$ Milhões)			Market Share Natura (%)		
	10M13	10M12	Var.	10M13	10M12	Var.
Cosméticos e Fragrâncias	10.247	9.580	7,0%	31,0%	33,4%	(2,4) pp
Higiene Pessoal	11.638	10.664	9,1%	11,5%	11,4%	0,0 pp
<b>Total</b>	<b>21.885</b>	<b>20.244</b>	<b>8,1%</b>	<b>20,6%</b>	<b>21,8%</b>	<b>(1,2) pp</b>

Fonte: Sipatesp

\* Valores de 2012 recalculados pela Associação

A recuperação de market share nas categorias de cosméticos e fragrâncias deve-se aos bons resultados em perfumaria, em especial nas linhas Essencial, Homem, Sintonia e Tododia, enquanto que nas categorias de higiene pessoal, o destaque positivo foi a linha SOU nas categorias de cabelos e sabonetes.

<sup>5</sup> Sipatesp/Abihpec: Sindicato da Indústria de Perfumarias de Artigos de Toucador no Estado de São Paulo / Associação Brasileira da Indústria de Higiene Pessoal, Perfumaria e Cosméticos.

## 2. destaques socioambientais

Em 2007, estabelecemos o compromisso de reduzir em 33% nossas emissões relativas de gases de efeito estufa. Criamos, desde então, um sistema de gestão que contempla toda a cadeia de valor desde a extração das matérias-primas e embalagens até o descarte dos produtos após o uso. Ao final de 2013, registramos uma redução de 33,2% em relação a 2006.

Iniciativas em diversas frentes contribuem para o alcance do compromisso. Os principais destaques de 2013 foram o lançamento de SOU, que emite 60% menos de gases de efeito estufa, e o bom desempenho das vendas de sabonetes em barra nas submarcas Tododia e Ekos que apresentam baixo impacto ambiental devido ao seu alto índice de vegetalização e que no seu processo produtivo utiliza caldeiras a biomassa.

Adicionalmente, fomos a primeira empresa da América Latina a adotar uma carreta de carga a etanol e a primeira empresa do Brasil a adotar um ônibus fretado para transporte de colaboradores movido a etanol. Implantamos também um piloto de nove veículos elétricos, entre eles bicicletas triciclos e automóveis, para entrega de pedidos a consultoras e consultores. É a primeira vez que uma empresa utiliza veículos elétricos para transporte de cargas no Brasil.

Apresentamos abaixo as metas socioambientais para 2013 com os respectivos resultados:

Indicador	Resultado 2012	Compromisso 2013	Resultado 2013
Gases de efeito estufa (Mudanças Climáticas)	Redução de 28,4% vs. 2006	Reduzir 33% as emissões relativas de GEE vs 2006	Redução de 33,2% vs 2006
Consumo de Água	0,40 litro / unidade produzida	Reduzir o consumo de água para 0,39 litro por unidade produzida no Brasil	0,40 litro / unidade produzida
Geração de Resíduos	25,6 gramas / unidade produzida	Reduzir para 24,7 gramas por unidade produzida a quantidade de resíduos gerada no Brasil	21,7 gramas/unid produzida
Arrecadação Crer para Ver* (Educação)	R\$ 12,8 milhões	Arrecadar LAIR de R\$ 14,0 milhões com a venda dos produtos Crer para Ver no Brasil	R\$ 17,1 milhões
Recursos Destinados às Comunidades Fornecedoras**	R\$ 12,1 milhões	Destinar R\$ 13,6 milhões em riquezas para as comunidades fornecedoras.	R\$ 11,2 milhões
Volume de negócios na região amazônica***	R\$ 121,8 milhões	Aumentar em 56,0% o volume de negócios na região amazônica, chegando a R\$ 190 milhões em 2013	R\$ 201,5 milhões

\* Recurso destinado ao Instituto Natura para investimento em projetos de apoio à educação no Brasil.

\*\* Indicador composto principalmente por repartição de benefícios e valores pagos pela compra de matéria-prima.

\*\*\* Considera a Natura e outros parceiros

Consumo de água: Abaixo da meta pela produção acima do previsto em uma das fábricas de Cajamar que possui maior consumo relativo.

Geração de resíduos: Resultado do ano se deve, principalmente, à menor geração e descarte de perdas em relação ao planejado.

Arrecadação Crer para Ver: Excelente resultado, com crescimento de 33% em relação ao ano passado e 21% acima da meta, impactado pelo bom desempenho de lançamentos de produtos e campanhas junto à força de vendas.

Recursos destinados às comunidades fornecedoras: Abaixo do previsto para o período. O indicador foi impactado principalmente pela menor compra de insumos em relação ao planejado. Nosso planejamento não considerou os estoques provenientes de 2012, decorrentes da quebra em vendas das linhas que utilizam esses insumos.

Volume de negócios na região amazônica: Acima do planejado para o período, influenciado principalmente pelos investimentos no Ecoparque.

## 3. Desempenho econômico – financeiro<sup>6</sup>

Trimestre	Pró-Forma												
	(R\$ milhões)	Consolidado <sup>7</sup>			Brasil			Consolidação			Implantação		
		4T13	4T12	Var%	4T13	4T12	Var%	4T13	4T12	Var%	4T13	4T12	Var%
Consultoras - final do período ('000) <sup>8</sup>	1.656,5	1.572,8	5,3	1.289,9	1.268,4	1,7	224,8	190,6	18,0	140,1	111,2	25,9	
Consultoras Média do período ('000)	1.642,9	1.555,8	5,6	1.283,2	1.253,8	2,3	221,5	189,8	16,7	136,5	109,7	24,4	
Unidades de produtos para revenda (milhões)	170,0	140,2	21,3	144,1	125,2	15,1	16,6	9,9	68,0	7,1	4,8	48,7	
<b>Receita Bruta</b>	<b>2.909,6</b>	<b>2.551,2</b>	<b>14,0</b>	<b>2.454,2</b>	<b>2.257,8</b>	<b>8,7</b>	<b>271,8</b>	<b>205,8</b>	<b>32,1</b>	<b>115,9</b>	<b>80,3</b>	<b>44,3</b>	
<b>Receita Líquida</b>	<b>2.165,6</b>	<b>1.875,0</b>	<b>15,5</b>	<b>1.797,7</b>	<b>1.645,0</b>	<b>9,3</b>	<b>201,4</b>	<b>154,6</b>	<b>30,3</b>	<b>99,7</b>	<b>69,2</b>	<b>44,2</b>	
<b>Lucro Bruto</b>	<b>1.488,0</b>	<b>1.298,6</b>	<b>14,6</b>	<b>1.219,0</b>	<b>1.139,9</b>	<b>6,9</b>	<b>144,4</b>	<b>108,0</b>	<b>33,8</b>	<b>69,2</b>	<b>46,8</b>	<b>47,8</b>	
Despesas com Vendas, Marketing e Logística	(725,7)	(638,1)	13,7	(564,5)	(533,7)	5,8	(89,0)	(66,0)	34,9	(59,6)	(33,7)	76,8	
Despesas Adm., P&D, TI e Projetos	(273,7)	(208,3)	31,4	(189,2)	(169,0)	12,0	(12,7)	(9,8)	29,6	(10,4)	(7,3)	41,9	
Participação dos Colaboradores nos Resultados	6,3	(21,1)	n/d	3,8	(17,0)	n/d	0,9	(1,6)	(154,2)	1,0	(0,9)	(202,8)	
Remuneração dos Administradores	(1,4)	(5,2)	(73,4)	(1,4)	(5,2)	(73,4)	0,0	0,0	0,0	0,0	0,0	0,0	
Outras Receitas / (Despesas) Operacionais, líquidas	(5,5)	(0,5)	993,4	(2,9)	2,7	(207,0)	(1,9)	(2,2)	n/d	0,2	(0,1)	n/d	
Receitas / (Despesas) Financeiras, líquidas	(24,1)	(17,8)	n/d	(19,3)	(11,7)	n/d	(6,4)	(5,2)	n/d	(0,3)	(0,9)	n/d	
Imposto de Renda e Contribuição Social	(164,6)	(137,2)	20,0	(154,7)	(129,2)	19,7	(5,6)	(7,8)	n/d	(3,5)	(0,2)	1.479,7	
Participação dos minoritários	(5,2)	0,0	0,0	0,0	0,0	0,0	0,0	0,0	n/d	0,0	0,0	0,0	
<b>Lucro Líquido</b>	<b>294,1</b>	<b>270,5</b>	<b>8,7</b>	<b>290,8</b>	<b>276,9</b>	<b>5,0</b>	<b>29,6</b>	<b>15,4</b>	<b>92,5</b>	<b>(3,6)</b>	<b>3,6</b>	<b>(200,0)</b>	
<b>EBITDA*</b>	<b>538,7</b>	<b>463,1</b>	<b>16,3</b>	<b>506,1</b>	<b>453,1</b>	<b>11,7</b>	<b>44,7</b>	<b>29,4</b>	<b>52,1</b>	<b>1,6</b>	<b>5,7</b>	<b>(71,3)</b>	
Margem Bruta	68,7%	69,3%	(0,5) pp	67,8%	69,3%	(1,5) pp	71,7%	69,8%	1,9 pp	69,4%	67,7%	1,7 pp	
Despesas Vendas, Marketing e Logística/Receita Líquida	33,5%	34,0%	(0,5) pp	31,4%	32,4%	(1,0) pp	44,2%	42,7%	1,5 pp	59,8%	48,8%	11,0 pp	
Despesas Adm., P&D, TI e Projetos/Receita Líquida	12,6%	11,1%	1,5 pp	10,5%	10,3%	0,3 pp	6,3%	6,4%	(0,0) pp	10,4%	10,6%	(0,2) pp	
Margem Líquida	13,6%	14,4%	(0,8) pp	16,2%	16,8%	(0,7) pp	14,7%	9,9%	4,7 pp	(3,6)%	5,2%	n/d	
Margem EBITDA	24,9%	24,7%	0,2 pp	28,2%	27,5%	0,6 pp	22,2%	19,0%	3,2 pp	1,6%	8,2%	n/d	

(\*) EBITDA = Lucro operacional antes dos efeitos financeiros, impostos, depreciação e amortização.

Acumulado	Pró-Forma												
	(R\$ milhões)	Consolidado <sup>7</sup>			Brasil			Consolidação			Implantação		
		2013	2012	Var%	2013	2012	Var%	2013	2012	Var%	2013	2012	Var%
Consultoras - final do período ('000) <sup>8</sup>	1.656,5	1.572,8	5,3	1.289,9	1.268,4	1,7	224,8	190,6	18,0	140,1	111,2	25,9	
Consultoras Média do período ('000)	1.596,2	1.497,7	6,6	1.264,8	1.216,8	3,9	207,0	175,8	17,7	122,4	102,4	19,5	
Unidades de produtos para revenda (milhões)	556,3	499,5	11,4	479,9	445,8	7,6	50,5	35,2	43,3	23,0	17,3	33,5	
<b>Receita Bruta</b>	<b>9.451,7</b>	<b>8.566,1</b>	<b>10,3</b>	<b>8.040,3</b>	<b>7.629,4</b>	<b>5,4</b>	<b>886,8</b>	<b>649,7</b>	<b>36,5</b>	<b>363,1</b>	<b>263,5</b>	<b>37,8</b>	
<b>Receita Líquida</b>	<b>7.010,3</b>	<b>6.345,7</b>	<b>10,5</b>	<b>5.880,2</b>	<b>5.611,2</b>	<b>4,8</b>	<b>659,0</b>	<b>487,2</b>	<b>35,3</b>	<b>312,2</b>	<b>226,7</b>	<b>37,7</b>	
<b>Lucro Bruto</b>	<b>4.920,5</b>	<b>4.477,6</b>	<b>9,9</b>	<b>4.103,3</b>	<b>3.971,7</b>	<b>3,3</b>	<b>472,0</b>	<b>340,2</b>	<b>38,7</b>	<b>214,7</b>	<b>153,4</b>	<b>40,0</b>	
Despesas com Vendas, Marketing e Logística	(2.470,7)	(2.212,2)	11,7	(1.968,1)	(1.835,3)	7,2	(293,3)	(224,2)	30,8	(177,0)	(137,5)	28,8	
Despesas Adm., P&D, TI e Projetos	(962,2)	(771,5)	24,7	(693,9)	(644,5)	7,7	(41,1)	(31,0)	32,5	(31,9)	(23,4)	36,6	
Participação dos Colaboradores nos Resultados	(61,9)	(90,8)	n/d	(50,3)	(74,4)	n/d	(3,8)	(6,5)	n/d	(2,1)	(3,7)	n/d	
Remuneração dos Administradores	(18,6)	(20,7)	(10,5)	(18,6)	(20,7)	(10,5)	0,0	0,0	n/d	0,0	0,0	n/d	
Outras Receitas / (Despesas) Operacionais, líquidas	8,9	(11,6)	n/d	11,6	(5,9)	n/d	(1,5)	(4,6)	n/d	0,6	0,0	n/d	
Receitas / (Despesas) Financeiras, líquidas	(158,3)	(72,3)	n/d	(148,4)	(69,8)	112,5	(11,7)	(2,2)	n/d	(1,0)	(0,3)	n/d	
Imposto de Renda e Contribuição Social	(409,9)	(424,0)	(3,3)	(383,6)	(411,2)	(6,7)	(20,1)	(11,8)	n/d	(4,7)	(1,0)	377,9	
Participação dos minoritários	(5,2)	0,0	0,0	0,0	0,0	0,0	0,0	0,0	n/d	0,0	0,0	0,0	
<b>Lucro Líquido</b>	<b>842,6</b>	<b>874,4</b>	<b>(3,6)</b>	<b>852,1</b>	<b>909,9</b>	<b>(6,4)</b>	<b>100,5</b>	<b>60,0</b>	<b>67,6</b>	<b>(1,5)</b>	<b>(12,4)</b>	<b>n/d</b>	
<b>EBITDA*</b>	<b>1.609,0</b>	<b>1.511,9</b>	<b>6,4</b>	<b>1.557,1</b>	<b>1.523,7</b>	<b>2,2</b>	<b>139,0</b>	<b>78,4</b>	<b>77,4</b>	<b>8,4</b>	<b>(8,2)</b>	<b>(202,0)</b>	
Margem Bruta	70,2%	70,6%	(0,4) pp	69,8%	70,8%	(1,0) pp	71,6%	69,8%	1,8 pp	68,8%	67,7%	1,1 pp	
Despesas com Vendas/Receita Líquida	35,2%	34,9%	0,4 pp	33,5%	32,7%	0,8 pp	44,5%	46,0%	(1,5) pp	56,7%	60,6%	(3,9) pp	
Despesas Administrativas e Gerais/Receita Líquida	13,7%	12,2%	1,6 pp	11,8%	11,5%	0,3 pp	6,2%	6,4%	(0,1) pp	10,2%	10,3%	(0,1) pp	
Margem Líquida	12,0%	13,8%	(1,8) pp	14,5%	16,2%	(1,7) pp	15,2%	12,3%	2,9 pp	(0,5)%	(5,5)%	n/d	
Margem EBITDA	23,0%	23,8%	(0,9) pp	26,5%	27,2%	(0,7) pp	21,1%	16,1%	5,0 pp	2,7%	(3,6)%	n/d	

(\*) EBITDA = Lucro operacional antes dos efeitos financeiros, impostos, depreciação e amortização.

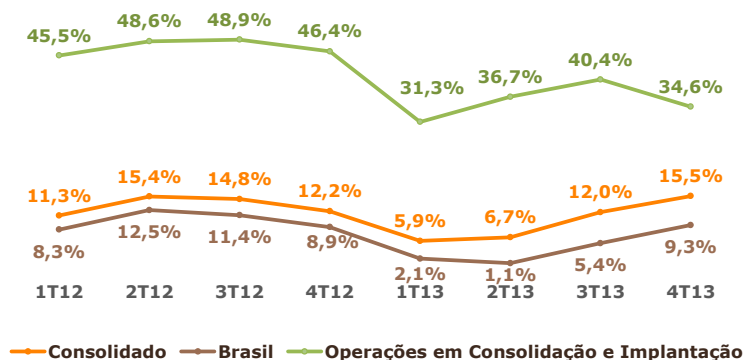
<sup>6</sup> Nos resultados pró-formas, a margem de lucro alcançada nas exportações do Brasil para as Operações Internacionais foi subtraída do CPV das respectivas operações, demonstrando o real impacto dessas subsidiárias no resultado consolidado da empresa. Desta forma, a Demonstração de Resultados pró-forma Brasil apresenta somente o resultado das vendas realizadas no mercado interno. O resultado de 2012 foi reapresentado conforme descrito no tópico 6 deste documento e nota explicativa número 2.29.

<sup>7</sup> Consolidado inclui Brasil, Operação em Consolidação, Operações em Implantação e outros Investimentos Internacionais, incluindo impacto de aquisições.

<sup>8</sup> Posição ao final do Ciclo 19 no Brasil e Ciclo 17 nas operações internacionais, sendo ciclo 18 somente na França.

### 3.1 receita líquida

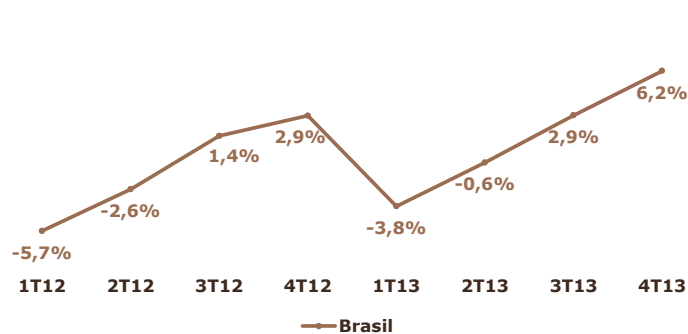
Crescimento Receita Líquida (R\$ - % vs ano anterior)



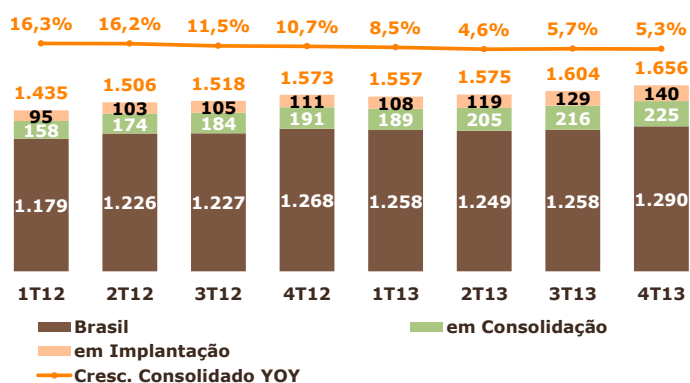
No **Brasil**, como planejado, continuamos no 4T13 a recuperação do crescimento de receita já observada no trimestre passado. No 2S13, intensificamos os investimentos em marketing, lançamos com êxito a linha SOU e tivemos resultados favoráveis nas estratégias de datas comemorativas<sup>9</sup>. Em linha com nossa estratégia, a produtividade apresentou uma tendência positiva ao longo do ano, com crescimento de 6,2% no 4T13 (R\$2.732 no 4T13 vs R\$2.573 no 4T12) e de 1,4% em 2013 em relação ao ano anterior.

No 4T13 e no ano, a base média de consultoras disponíveis<sup>10</sup> no Brasil cresceu, respectivamente, 2,3% e 3,9% frente ao mesmo período do ano anterior. O crescimento menor ao longo do segundo semestre de 2013 deve-se à frequência de compra das consultoras abaixo do esperado. Para aumentarmos esta frequência, desde o 3T13 intensificamos os investimentos em marketing e em promoções para as consultoras e disponibilizamos outras opções de meios de pagamentos. Para 2014, estamos confiantes que além dessas iniciativas, novas ferramentas de tecnologia, o aprimoramento das práticas de nossa força de vendas e uma agenda de segmentação do canal serão elementos relevantes para a ativação das consultoras.

Produtividade (% vs ano anterior)



Consultoras - posição final do período



No 4T13, as **Operações Internacionais**, sem impacto de aquisições (Aesop), cresceram 33,9% em moeda local (33,7% em Reais), representando 14,6% da receita líquida consolidada (14,4% no ano). No ano, essas Operações cresceram 30,1% em moeda local (35,1% em Reais). Diferente dos últimos trimestres, o crescimento em Reais abaixo do crescimento em moeda local explica-se pela desvalorização da cesta de moedas na América Latina<sup>11</sup> frente ao Real. Todas as operações apresentaram resultados coerentes com a nossa estratégia, com destaque para o México, onde após os ajustes realizados no modelo Rede de Relações Sustentáveis, a receita apresentou recuperação relevante ao longo do ano

<sup>9</sup> Dia dos Namorados, Dia das Mães, Dia dos Pais e Natal

<sup>10</sup> Consideramos como disponíveis todas as consultoras que fazem ao menos um pedido num período de 4 ciclos de vendas consecutivos.

<sup>11</sup> Países em que operamos: Argentina, Chile, Peru, México, Colômbia.



Na Argentina, onde temos registrado resultados positivos em receita, lucratividade e construção de marca, estamos atentos à situação macroeconômica e institucional, dedicando nossos esforços para assegurar a disponibilidade de produtos para nossas consultoras e consumidores.

## 3.2 inovação & produtos

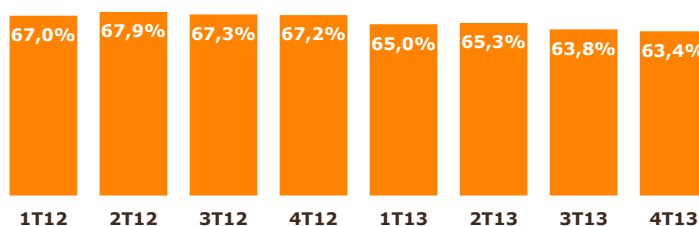
O índice de inovação<sup>12</sup>, com base em dezembro de 2013, foi de 63,4% frente a 67,2% do mesmo período do ano anterior, dentro de um patamar almejado e em linha com os trimestres anteriores.

A linha SOU, cujo lançamento ocorreu nos meses de julho e outubro de 2013, contribuiu positivamente para o indicador.

Adicionalmente, contamos com os relançamentos de Plant, linha dedicada à

categoria cabelos, e de Aquarela, linha de maquiagem inspirada na diversidade da mulher brasileira.

Inovação (%RL)



## 3.3 margem bruta

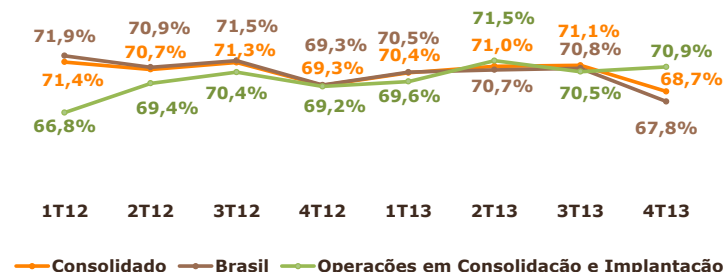
No 4T13 e no ano, a margem bruta consolidada retraiu frente ao mesmo período do ano anterior, produto da expansão de margem nas operações internacionais e da retração no Brasil. Nas operações internacionais, mantivemos a tendência de expansão observada nos trimestres anteriores em função da maior efetividade de nosso esforço promocional, de uma situação cambial ainda favorável e também da incorporação da elevada margem bruta da AESOP. No Brasil, como planejado e já observado no 3T13, a retração da margem foi resultado do aumento do esforço promocional para reativar nossa base de consultoras, bem como pelo impacto de uma situação cambial mais desfavorável do que o previsto.

O quadro abaixo exhibe o custo aberto em seus principais componentes:

	4T13	4T12	2013	2012
MP / ME / PA*	85,4	84,8	82,2	82,9
Mão de Obra	6,3	7,1	7,8	8,0
Depreciação	2,7	2,5	3,1	2,6
Outros	5,6	5,6	6,9	6,4
<b>Total</b>	<b>100,0</b>	<b>100,0</b>	<b>100,0</b>	<b>100,0</b>

\*Matéria - Prima, Material de Embalagem e Produto Acabado

Margem Bruta (%RL)

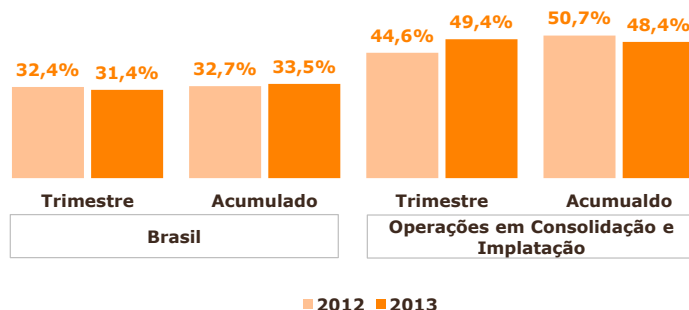


<sup>12</sup> Índice de Inovação: participação nos últimos 12 meses da venda dos produtos lançados nos últimos 24 meses.

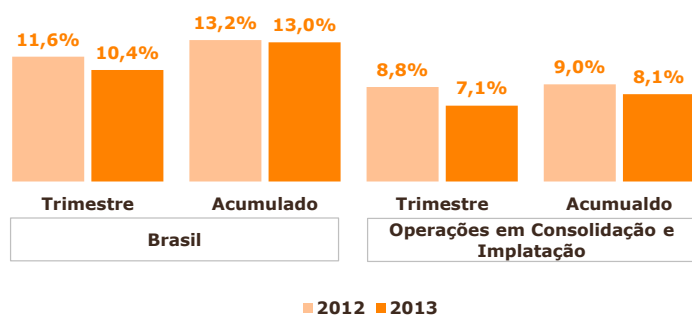
### 3.4 despesas operacionais

No 4T13, as **despesas com vendas, marketing e logística** no Brasil (% receita líquida) apresentaram uma redução de 100 pontos base, fruto do bom desempenho nas recuperações de recebíveis, enquanto que nas operações internacionais o aumento em relação à receita líquida deve-se aos maiores investimentos em propaganda, principalmente no México. No ano, as despesas com vendas, marketing e logística ficaram 80 pontos base (% receita líquida) acima de 2012 no Brasil, resultado dos maiores investimentos em marketing e da menor diluição dos custos fixos em logística, enquanto que nas operações internacionais a redução deve-se à maior diluição de despesas fixas.

Despesas com Vendas, Marketing e Logística (%RL)



Despesas Administrativas, P&D, TI, Projetos, PLR e Remuneração dos Administradores (%RL)



Tanto no trimestre quanto no acumulado, as **despesas administrativas, P&D, TI e Projetos**, no Brasil, apresentaram redução do percentual relativo à receita líquida pois os investimentos adicionais em projetos estratégicos, TI e inovação foram financiados por economias capturadas em projetos de eficiência e por meio de uma gestão orçamentária mais robusta, além de um menor patamar de PLR em 2013, uma vez que os resultados ficaram abaixo de nossa expectativa. Já nas Operações Internacionais,

especialmente nas Operações em Implantação, a redução relativa no período foi resultado da maior diluição dessas despesas em 2013 em comparação com o ano anterior.

### 3.5 outras despesas e receitas operacionais

No 4T13, contemplando o Brasil e as Operações Internacionais, tivemos despesas de R\$ 5,5 milhões frente à despesa de R\$ 0,5 milhão no 4T12. No ano, registramos receita de R\$ 8,9 milhões em 2013 versus despesa de R\$ 11,6 milhões em 2012, sendo a venda de um imóvel em Itapeverica da Serra o item mais relevante.

### 3.6 outros investimentos internacionais

Os outros investimentos internacionais, que dizem respeito à operação na França, à estrutura corporativa internacional baseada em Buenos Aires e à AESOP, registraram prejuízo (EBITDA) de R\$ 13,7 milhões no 4T13 (prejuízo de R\$ 25,1 milhões no 4T12) e no ano o prejuízo foi de R\$ 95,5 milhões (prejuízo de R\$ 82,0 milhões em 2012). No 4T13, a redução do prejuízo deve-se ao período de maior alavancagem operacional da AESOP em função das vendas de Natal. No ano, o crescimento

do prejuízo foi resultado da inflação que incidiu sobre a base de custos da estrutura corporativa internacional baseada em Buenos Aires.

### 3.7 EBITDA

No 4T13, o EBITDA consolidado totalizou R\$ 538,7 milhões e cresceu 16,3% frente ao mesmo período de 2012 (margem EBITDA de 24,9% no 4T13 versus 24,7% no 4T12). No Brasil houve expansão de 11,7% do EBITDA se comparado com o mesmo período do ano anterior em função dos ganhos de eficiência no processo de cobrança e de um patamar de PLR inferior ao de 2012. Nas Operações em Consolidação tivemos uma expansão de 320 pontos base na margem EBITDA em relação ao 4T12, devido principalmente aos ganhos em margem bruta decorrente da melhor eficiência promocional e do câmbio favorável. Já nas Operações em Implantação, como planejado, tivemos uma retração de 660 pontos base na margem em função da intensificação dos investimentos em marketing, especialmente em nossa Operação no México.

Encerramos 2013 com EBITDA consolidado de R\$ 1.609,0 milhão (margem de 23,0%), crescimento de 6,4% frente ao resultado de 2012 (margem de 23,8%). No Brasil, tivemos retração de 70 pontos base na margem devido aos maiores investimentos em marketing e promoções, além de uma menor diluição dos custos fixos em logística e a continuidade dos investimentos para o médio prazo, parcialmente compensados por ganhos de eficiência e por um menor patamar de PLR.

Nas Operações em Consolidação e Implantação, tivemos ganhos de 500 e 630 pontos base, respectivamente, de margem EBITDA no ano, resultado de ganhos de margem bruta, conforme explicação do 4T13, além da maior diluição das despesas com vendas.

#### EBITDA (R\$ milhões)

*Dados contemplam operação e custo de transação da AESOP*

	4T13	4T12	Var %	2013	2012	Var %
Receita Líquida	2.165,6	1.875,0	15,5	7.010,3	6.345,7	10,5
(-) Custos e Despesas	1.677,6	1.449,6	15,7	5.594,3	4.975,0	12,4
<b>EBIT</b>	<b>488,0</b>	<b>425,5</b>	<b>14,7</b>	<b>1.416,0</b>	<b>1.370,7</b>	<b>3,3</b>
(+) Depreciação / amortização	50,7	37,7	34,7	193,0	141,2	36,7
<b>EBITDA</b>	<b>538,7</b>	<b>463,1</b>	<b>16,3</b>	<b>1.609,0</b>	<b>1.511,9</b>	<b>6,4</b>

O aumento de despesas com depreciação e amortização (34,6% no trimestre e 36,7% no ano) é resultado dos investimentos em infraestrutura (logística e manufatura) e tecnologia da informação.

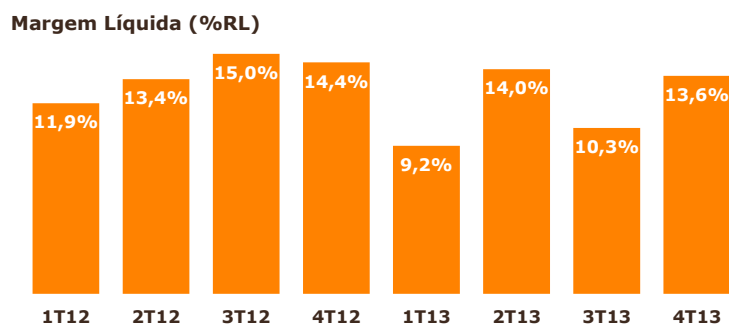
#### EBITDA pró-forma por bloco de operações (R\$ milhões)

*Dados contemplam operação e custo de transação da AESOP*

	4T13	4T12	Var %	2013	2012	Var %
Brasil	506,1	453,1	11,7	1.557,1	1.523,7	2,2
Argentina, Chile e Peru	44,7	29,4	52,1	139,0	78,4	77,4
México, Colômbia	1,6	5,7	n/d	8,4	(8,2)	n/d
Outros Investimentos	(13,7)	(25,1)	n/d	(95,5)	(82,0)	n/d
<b>EBITDA</b>	<b>538,7</b>	<b>463,1</b>	<b>16,3</b>	<b>1.609,0</b>	<b>1.511,9</b>	<b>6,4</b>

### 3.8 Lucro líquido

No 4T13, o lucro líquido consolidado, excluindo o impacto da marcação a mercado de derivativos atrelados a dívida em moeda estrangeira, cresceu 6,4% frente ao mesmo período do ano anterior, crescimento abaixo do Ebitda pelo aumento das despesas de depreciação e das despesas financeiras, reflexo de um maior nível de dívida líquida.



No acumulado, ao excluirmos os efeitos não-caixa de marcação a mercado, o lucro líquido se manteve nos mesmos níveis do ano anterior, fruto do aumento das despesas financeiras e da depreciação.

Temos como política proteger toda nossa dívida em moeda estrangeira e levar tanto a dívida quanto seu hedge a termo. Por isso, contratamos operações de "swap" financeiros<sup>13</sup> que anulam impactos cambiais da dívida e transformam seu custo em uma taxa pós-fixada atrelada ao CDI, resultando, nesses casos, em taxas mais competitivas do que as captadas no mercado brasileiro. Seguindo as normas contábeis do IFRS, marcamos a mercado somente os instrumentos derivativos, e não a dívida financeira. Isto traz impactos temporários a cada trimestre sem efeito caixa e que serão anulados no vencimento de cada operação. Este ajuste de marcação a mercado no trimestre foi de R\$ 15,9 milhões positivos frente a R\$ 9,2 milhões positivo no mesmo período do ano anterior. Vale destacar que a marcação a mercado não é base de cálculo para o lucro distribuível via dividendos, segundo a instrução normativa 1.397, e nem para o imposto de renda.

Valores em R\$ milhões	4T13	4T12	Var. R\$	2013	2012	Var. R\$
<b>Receitas / (Despesas) Financeiras, líquidas</b>	<b>(24,1)</b>	<b>(17,8)</b>	<b>(6,3)</b>	<b>(158,3)</b>	<b>(72,3)</b>	<b>(85,9)</b>
Ajuste de Marcação ao Mercado	15,9	9,2	6,8	(18,4)	12,9	(31,2)
<b>Receitas / (Despesas) Financeiras ex. Marcação a Mercado, líquidas</b>	<b>(40,0)</b>	<b>(27,0)</b>	<b>(13,0)</b>	<b>(139,9)</b>	<b>(85,2)</b>	<b>(54,7)</b>

Ao excluirmos os efeitos não-caixa da marcação a mercado, o aumento das despesas financeiras no 4T13 é resultado do aumento da dívida líquida média do período. No ano, além do mesmo impacto do trimestre, o resultado financeiro também foi negativamente impactado em R\$ 8,4 milhões pela despesa do hedge contratado para a proteção do compromisso relacionado à compra de 65% da Emeis Holding (AESOP) no valor de AU\$ 69 milhões. Este hedge foi contratado para evitar flutuações de câmbio do preço acordado entre a data do compromisso e liquidação do pagamento, conforme a nossa política de exposição cambial.

<sup>13</sup> As operações de "swap" financeiros consistem na troca de variação cambial por uma correção relacionada a um percentual da variação do Certificado de Depósito Interbancário – CDI pós-fixado.

### 3.9 fluxo de caixa<sup>14</sup>

Em 2013, a geração interna de caixa foi de R\$ 1.102,4 milhões, com crescimento de 8,2% frente a 2012. Investimos R\$ 170,5 milhões em capital de giro e R\$ 553,9 milhões em capex. Quanto ao capital de giro, registramos uma elevação na comparação dezembro 2013 vs. dezembro 2012, especialmente pela posição atipicamente favorável no fechamento de 2012 e pela incorporação de novos meios de pagamentos que provocaram aumento de dois dias no prazo médio de pagamento

A posição de dezembro 2012 estava favorecida em cerca de R\$ 80 milhões por uma maior concentração de gastos com mídia e capex naquele período, conforme comentamos nos trimestres anteriores.

Comparando a posição média mensal de capital de giro, ao longo de 2013 operamos com uma posição melhor do que a de 2012, com melhoras na cobertura média de estoques e fornecedores. Quanto ao capex, superamos em R\$ 116,4 milhões os valores de 2012, o que também explica a retração de 57,0% na geração de caixa livre.

R\$ milhões	4T13	4T12	Var. R\$	Var. %	2013	2012	Var. R\$	Var. %
<b>Lucro líquido do período</b>	<b>294,1</b>	<b>270,5</b>	<b>23,6</b>	<b>8,7</b>	<b>842,6</b>	<b>874,4</b>	<b>(31,8)</b>	<b>(3,6)</b>
Depreciações e amortizações	50,7	37,7	13,1	34,7	193,0	141,2	51,8	36,7
Itens não caixa / Outros*	42,3	(11,0)	53,4	n/d	66,8	3,3	63,6	1.945,7
<b>Geração interna de caixa</b>	<b>387,2</b>	<b>297,1</b>	<b>90,0</b>	<b>30,3</b>	<b>1.102,4</b>	<b>1.018,8</b>	<b>83,6</b>	<b>8,2</b>
(Aumento) / Redução do Capital de Giro	91,9	272,2	(180,3)	n/d	(170,5)	297,3	(467,8)	n/d
<b>Geração operacional de caixa</b>	<b>479,1</b>	<b>569,3</b>	<b>(90,3)</b>	<b>(15,9)</b>	<b>931,9</b>	<b>1.316,2</b>	<b>(384,2)</b>	<b>(29,2)</b>
Adições do imobilizado e intangível	(185,7)	(235,0)	49,3	(21,0)	(553,9)	(437,5)	(116,4)	26,6
<b>Geração de caixa livre**</b>	<b>293,4</b>	<b>334,3</b>	<b>(41,0)</b>	<b>(12,3)</b>	<b>378,1</b>	<b>878,7</b>	<b>(500,6)</b>	<b>(57,0)</b>

Favorável / (desfavorável)

(\*) Para efeito de melhor divulgação e comparação, alguns saldos de 2012 foram reclassificados

(\*\*) (Geração interna de caixa) +/- (variações no capital de giro e realizável a longo prazo) - (aquisições de ativo imobilizado).

Investimos nesse ano R\$ 553,9 milhões em **imobilizado e intangível** (R\$ 437,5 milhões em 2012), principalmente, para consolidarmos nosso modelo logístico, com a inauguração do CD São Paulo, e para ampliarmos nossa capacidade produtiva em Cajamar e no Pará (Ecoparque). Esses investimentos resultaram na conquista de altos índices de qualidade do serviço prestado às consultoras e na redução do prazo de entrega dos pedidos, além de um melhor equilíbrio entre produção interna e em terceiros. Iniciamos também um novo ciclo de investimentos em tecnologia da informação, com destaque para a Rede Natura no Brasil.

Estimamos investimentos em Capex de R\$ 500 milhões em 2014, com uma participação maior em tecnologia da informação, destinados à expansão da Rede Natura e à evolução e integração dos sistemas transacionais nas Operações Internacionais. A capacidade produtiva e logística construída com os investimentos realizados nos últimos anos permite uma redução dos investimentos dessa natureza nos próximos anos.

<sup>14</sup> fluxo de caixa pró-forma.

### 3.10 endividamento

O aumento do endividamento total e da dívida líquida reflete principalmente os investimentos em CAPEX e a aquisição de 65% da AESOP.

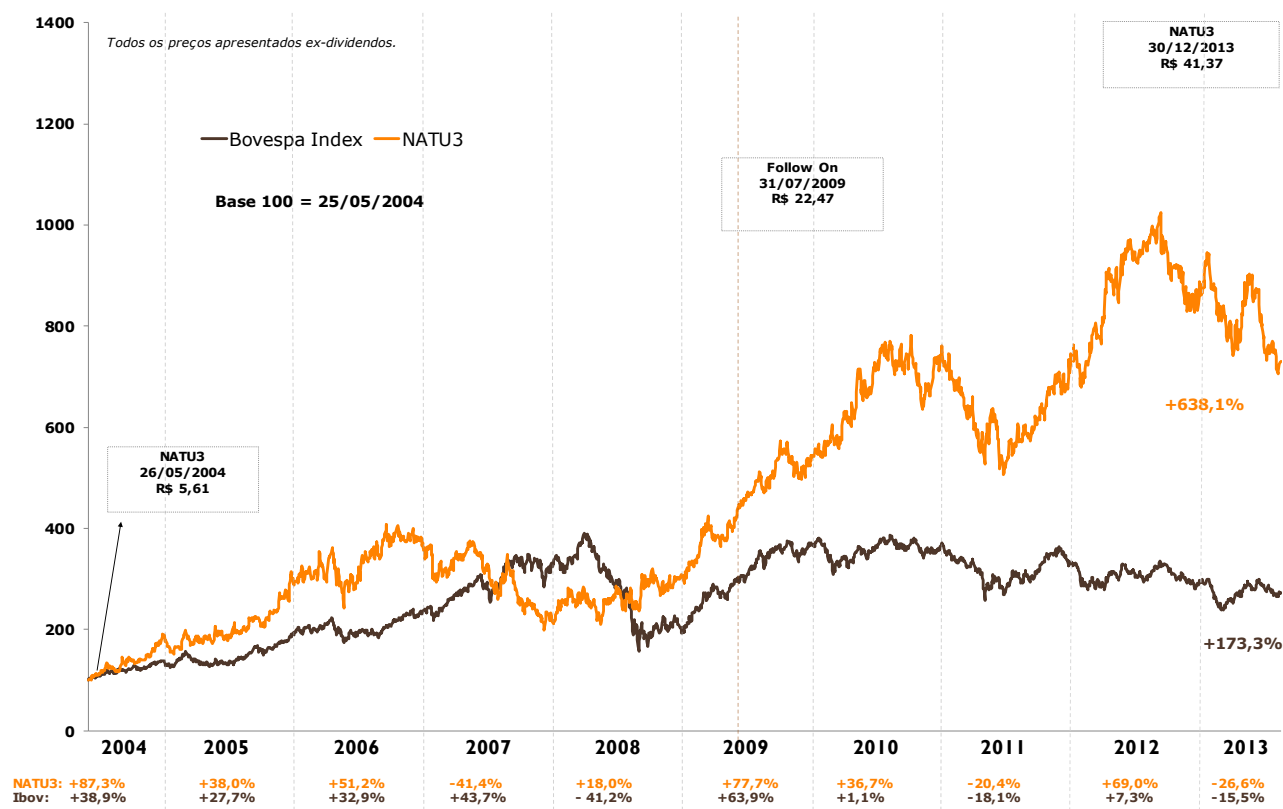
Endividamento R\$ Mil	dez-13	Part (%)	dez-12	Part (%)	Var. (%)
Curto Prazo	693,1	27,8	999,5	45,8	(30,7)
Longo Prazo	2.200,8	88,4	1.309,2	60,1	68,1
Instrumentos financeiros derivativos	(153,6)	(6,2)	(80,9)	(3,7)	89,8
Arrendamentos Mercantis - Financeiros	(249,6)	(10,0)	(47,8)	(2,2)	422,2
<b>Total da Dívida</b>	<b>2.490,6</b>	<b>100,0</b>	<b>2.179,9</b>	<b>100,0</b>	<b>14,3</b>
(-) Caixa e Aplicações Financeiras	1.309,3		1.643,1		(20,3)
<b>(=) Endividamento Líquido - Caixa Líquido</b>	<b>1.181,3</b>		<b>536,8</b>		<b>120,1</b>
Dívida Líquida / Ebitda	0,73		0,36		
Total Dívida / Ebitda	1,55		1,44		

## 4. desempenho NATU3

Em 2013, as ações da Natura tiveram uma desvalorização de 26,6% frente a 31 de dezembro de 2012, enquanto o Ibovespa desvalorizou-se 15,5%. O volume médio diário negociado no 4T13 foi de R\$ 44,4 milhões frente a R\$ 51,3 milhões no mesmo período do ano anterior.

Neste ano, nossa posição média no Índice de Negociabilidade da BOVESPA foi 29º.

O gráfico abaixo demonstra o desempenho das ações Natura desde o seu lançamento (IPO):



## 5. dividendos e juros sobre capital próprio

Em 12 de fevereiro de 2014, o Conselho de Administração aprovou proposta a ser submetida à Assembleia Geral Ordinária (AGO), que será realizada em 11 de abril de 2014, para pagamento em 16 de abril de 2014, do saldo de dividendos, referentes aos resultados auferidos no exercício de 2013, e de juros sobre capital próprio do período, no montante de R\$ 474,0 milhões e R\$ 22,4 milhões (R\$ 19,0 milhões líquidos de imposto de renda na fonte), respectivamente.

Em 15 de agosto de 2013 foram pagos dividendos intermediários no montante de R\$ 337,3 milhões e juros sobre o capital próprio no valor de R\$ 23,4 milhões (líquidos de imposto de renda na fonte).

Esses dividendos e juros sobre o capital próprio somados, referentes ao resultado do exercício de 2013, representarão uma remuneração líquida de R\$ 1,99 por ação, correspondendo a 100% do lucro líquido<sup>15</sup> de 2013.

## 6. reapresentações de 2012

Com a finalidade de permitir a comparabilidade das demonstrações financeiras com períodos anteriores à adoção das alterações contábeis, os valores apresentados neste documento referentes a 2012 foram atualizados integralmente no 4T12 de acordo com a IAS 19, que modifica a forma de contabilização de todos os ganhos e prejuízos atuariais, exigindo que estes sejam reconhecidos por meio do "outros resultados abrangentes", na Demonstração dos Resultados Abrangentes e no Patrimônio Líquido, líquido do imposto de renda e da contribuição social diferido.

Desta forma, o EBITDA e o lucro líquido diferem de forma imaterial dos valores anteriormente divulgados pela companhia. O quadro abaixo demonstra as linhas do Demonstrativo de Resultados que forma ajustada para a reapresentação de 2012:

Consolidado (R\$ milhões)	2012	Ajuste	2012
	Reportado	IAS 19	Reapresentado
Despesas Adm., P&D, TI e Projetos	(772,7)	1,2	(771,5)
Receitas / (Despesas) Financeiras, líquidas	(93,4)	21,1	(72,3)
Imposto de Renda e Contribuição Social	(414,9)	(9,1)	(424,0)
<b>Lucro Líquido</b>	<b>861,2</b>	<b>13,2</b>	<b>874,4</b>
<b>EBITDA</b>	<b>1.510,7</b>	<b>1,2</b>	<b>1.511,9</b>

<sup>15</sup> Lucro líquido de acordo com a Lei das Sociedades por Ações.

## teleconferência & webcast

**PORTUGUÊS:** Sexta-feira, 14 de fevereiro de 2014  
10h00 – horário de Brasília

**INGLÊS:** Sexta-feira, 14 de fevereiro de 2014  
12h00 – horário de Brasília

Participantes do Brasil: **+55 11 4688 6341**  
Participantes dos EUA: Toll Free **+ 1 888 700 0802**  
Participantes de outros países: **+1 786 924 6977**  
Senha para os participantes: **Natura**

Transmissão ao vivo pela internet:  
**[www.natura.net/investidor](http://www.natura.net/investidor)**

## relações com investidores

**Telefone: (11) 4196-1421**

Fabio Cefaly, [fabiocefaly@natura.net](mailto:fabiocefaly@natura.net)

Tatiana Bravin, [tatianabravin@natura.net](mailto:tatianabravin@natura.net)

Francisco Petroni, [franciscopetroni@natura.net](mailto:franciscopetroni@natura.net)

Julia Villas Bôas, [juliaboas@natura.net](mailto:juliaboas@natura.net)





# balanços patrimoniais

em dezembro de 2013 e dezembro de 2012

(em milhões de reais - R\$)

ATIVO	dez-13	dez-12	PASSIVO	dez-13	dez-12
<b>CIRCULANTE</b>			<b>CIRCULANTE</b>		
Caixa e equivalentes de caixa	1.016,3	1.144,4	Empréstimos e financiamentos	693,1	999,5
Títulos e valores mobiliários	293,0	498,7	Fornecedores e outras contas a pagar	706,6	649,9
Contas a receber de clientes	807,0	651,4	Salários, participações nos resultados e encargos sociais	177,6	211,8
Estoques	799,5	700,7	Obrigações tributárias	659,3	501,5
Impostos a recuperar	181,1	144,5	Outras obrigações	90,2	52,0
Instrumentos financeiros derivativos	153,6	80,9	<b>Total do passivo circulante</b>	<b>2.326,8</b>	<b>2.414,7</b>
Outros ativos circulantes	262,4	157,8			
<b>Total do ativo circulante</b>	<b>3.512,9</b>	<b>3.378,3</b>			
<b>NÃO CIRCULANTE</b>			<b>NÃO CIRCULANTE</b>		
Realizável a longo prazo:			Empréstimos e financiamentos	2.200,8	1.309,2
Impostos a recuperar	175,1	151,4	Obrigações tributárias	215,6	177,3
Imposto de renda e contribuição social diferidos	193,8	195,6	Provisão para riscos tributários, cíveis e trabalhistas	73,8	63,3
Depósitos judiciais	412,4	349,5	Outras provisões	263,0	104,8
Outros ativos não circulantes	37,2	41,3	<b>Total do passivo não circulante</b>	<b>2.753,2</b>	<b>1.654,6</b>
Imobilizado	1.439,7	1.012,1			
Intangível	477,3	228,5	<b>PATRIMÔNIO LÍQUIDO</b>		
<b>Total do ativo não circulante</b>	<b>2.735,4</b>	<b>1.978,4</b>	Capital social	427,1	427,1
			Reservas de capital	150,4	155,9
			Reservas de lucros	162,6	311,7
			Ações em tesouraria	(84,0)	(66,1)
			Dividendo adicional proposto	496,4	491,3
			Outros resultados abrangentes	(6,9)	(32,5)
			<b>Total do patrimônio líquido - acionistas controladores</b>	<b>1.145,6</b>	<b>1.287,4</b>
			<b>Participação dos acionistas não controladores no patrimônio líquido das controladas</b>	<b>22,6</b>	<b>0,0</b>
			<b>Total do patrimônio líquido</b>	<b>1.168,3</b>	<b>1.287,4</b>
<b>TOTAL DO ATIVO</b>	<b>6.248,3</b>	<b>5.356,7</b>	<b>TOTAL DO PASSIVO E PATRIMÔNIO LÍQUIDO</b>	<b>6.248,3</b>	<b>5.356,7</b>

# demonstrações dos resultados

para os exercícios findos em 31 de dezembro de 2013 e de 2012

(R\$ milhões)	2013	2012
<b>RECEITA LÍQUIDA</b>	<b>7.010,3</b>	<b>6.345,7</b>
Custo dos produtos vendidos	(2.089,8)	(1.868,0)
<b>LUCRO BRUTO</b>	<b>4.920,5</b>	<b>4.477,6</b>
<b>(DESPESAS) RECEITAS OPERACIONAIS</b>		
Com vendas	(2.470,7)	(2.212,2)
Administrativas e gerais	(962,2)	(771,5)
Participação dos colaboradores nos resultados	(61,9)	(90,8)
Remuneração dos administradores	(18,6)	(20,7)
Outras receitas (despesas) operacionais, líquidas	8,9	(11,6)
<b>LUCRO OPERACIONAL ANTES DO RESULTADO FINANCEIRO</b>	<b>1.416,0</b>	<b>1.370,7</b>
Receitas financeiras	364,2	161,8
Despesas financeiras	(522,5)	(234,2)
<b>LUCRO ANTES DO IMPOSTO DE RENDA E DA CONTRIBUIÇÃO SOCIAL</b>	<b>1.257,7</b>	<b>1.298,4</b>
Imposto de renda e contribuição social	(409,9)	(424,0)
<b>LUCRO ANTES DA PARTICIPAÇÃO DE NÃO CONTROLADORES</b>	<b>847,8</b>	<b>874,4</b>
Não controladores	(5,2)	0,0
<b>LUCRO LÍQUIDO</b>	<b>842,6</b>	<b>874,4</b>
<b>ATRIBUÍVEL A</b>		
Acionistas da Sociedade	842,6	874,4
Não controladores	5,2	0,0
	<b>847,8</b>	<b>874,4</b>

# demonstrações dos fluxos de caixa

para os exercícios findos em

31 de dezembro de 2013 e de 2012

(R\$ milhões)	2013	2012
<b>FLUXO DE CAIXA DAS ATIVIDADES OPERACIONAIS</b>		
<b>Lucro líquido do período</b>	<b>847,8</b>	<b>874,4</b>
Ajustes para reconciliar o lucro líquido do exercício com o caixa líquido gerado pelas atividades operacionais:		
Depreciações e amortizações	193,0	141,2
Reversão decorrente dos contratos de operações com derivativos "swap" e "forward"	(100,5)	(52,3)
Provisões para riscos tributários, cíveis e trabalhistas	18,0	4,6
Atualização monetária de depósitos judiciais	(21,3)	(21,0)
Imposto de renda e contribuição social	409,9	424,0
Resultado na venda e baixa de ativo imobilizado e intangível	(2,6)	15,7
Juros e variação cambial sobre empréstimos e financiamentos	311,6	163,2
Variação cambial sobre outros ativos e passivos	3,3	9,1
Despesas com planos de outorga de opções de compra de ações	12,5	10,8
Provisão (Reversão) deságio na alienação de créditos de ICMS	(3,3)	0,8
Provisão para créditos de liquidação duvidosa	27,0	7,9
Provisão (Reversão) para perdas nos estoques	27,6	(23,8)
Lucro líquido do período atribuível a não controladores	(5,2)	0,0
Provisão com plano de assistência médica e créditos carbono	29,9	21,9
Reconhecimento de crédito tributário extemporâneo	(6,8)	(11,6)
Reconhecimento de crédito tributário de processo judicial	0,0	(1,7)
	<b>1.740,9</b>	<b>1.563,2</b>
<b>(AUMENTO) REDUÇÃO DOS ATIVOS</b>		
Contas a receber de clientes	(182,6)	(17,5)
Estoques	(126,4)	11,9
Impostos a recuperar	(50,3)	29,5
Outros ativos	(100,4)	(48,6)
<b>Subtotal</b>	<b>(459,7)</b>	<b>(24,6)</b>
<b>AUMENTO (REDUÇÃO) DOS PASSIVOS</b>		
Fornecedores nacionais e estrangeiros	54,9	162,1
Salários, participações nos resultados e encargos sociais, líquidos	(34,2)	79,8
Obrigações tributárias	28,0	(2,7)
Outros passivos	7,2	14,1
Provisão para riscos tributários, cíveis e trabalhistas	(7,5)	(6,3)
<b>Subtotal</b>	<b>48,4</b>	<b>247,0</b>
<b>CAIXA GERADO PELAS ATIVIDADES OPERACIONAIS</b>	<b>1.329,6</b>	<b>1.785,6</b>

**OUTROS FLUXOS DE CAIXA DAS ATIVIDADES OPERACIONAIS**

Pagamentos de imposto de renda e contribuição social	(240,0)	(320,8)
Levantamento (pagamento) de depósitos judiciais	(41,6)	(32,6)
Pagamentos de recursos por liquidação de operações com derivativos	27,8	(18,5)
Pagamento de juros sobre empréstimos e financiamentos	(96,9)	(104,3)

**CAIXA LÍQUIDO GERADO PELAS ATIVIDADES OPERACIONAIS** **979,0** **1.309,4**

**FLUXO DE CAIXA DAS ATIVIDADES DE INVESTIMENTO**

Adições de imobilizado e intangível	(553,9)	(437,5)
Recebimento pela venda de ativo imobilizado e intangível	21,2	3,1
Aplicação em títulos e valores mobiliários	(4.698,8)	(4.213,7)
Resgate de títulos e valores mobiliários	4.904,5	3.715,1
Caixa adquirido na combinação de negócios	(129,0)	0,0

**CAIXA LÍQUIDO UTILIZADO NAS ATIVIDADES DE INVESTIMENTO** **(456,0)** **(933,0)**

**FLUXO DE CAIXA DAS ATIVIDADES DE FINANCIAMENTO**

Amortização de empréstimos e financiamentos - principal	(1.029,4)	(629,7)
Captações de empréstimos e financiamentos	1.257,6	1.708,6
Utilização de ações em tesouraria pelo exercício de opções de compra de ações	35,5	30,8
Compra de ações em tesouraria	(60,2)	0,0
Pagamento de dividendos e juros sobre capital próprio referentes ao exercício anterior	(491,3)	(491,0)
Antecipação de dividendos e juros sobre capital próprio referentes ao exercício correr	(364,8)	(363,5)

**CAIXA LÍQUIDO GERADO (UTILIZADO) NAS ATIVIDADES DE FINANCIA** **(652,7)** **255,3**

Efeito de variação cambial sobre o caixa e equivalentes de caixa	1,6	(2,9)
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**AUMENTO (REDUÇÃO) NO CAIXA E EQUIVALENTES DE CAIXA** **(128,1)** **628,8**

Saldo inicial do caixa e equivalentes de caixa	1.144,4	515,6
Saldo final do caixa e equivalentes de caixa	1.016,3	1.144,4

**AUMENTO (REDUÇÃO) NO CAIXA E EQUIVALENTES DE CAIXA** **(128,1)** **628,8**

**Informações adicionais às demonstrações dos fluxos de caixa:**

Numerários com utilização restrita	0,0	7,1
Limites de contas garantidas sem utilização	117,9	343,6
Itens não caixa		
Reserva para aquisição de não controladores	141,6	0,0
Capitalização de leasing financeiro	185,9	0,0

## Glossário

**\_CDI:** Certificado de depósito interbancário.

**\_CN:** Revendedoras autônomas, que não têm relação de emprego com a Natura, também chamadas **Consultoras Natura**.

**\_CNO:** Revendedoras autônomas, que não têm relação de emprego conosco, e apoiam as Gerentes de Relacionamento em suas atividades, também chamadas de **Consultoras Natura Orientadoras**.

**\_Comunidades Fornecedoras:** Comunidades de agricultores familiares e extrativistas de diversas localidades do Brasil – majoritariamente da Região Amazônica que extraem de forma sustentável insumos da sociobiodiversidade utilizados em nossos produtos. Estabelecemos com essas comunidades cadeias produtivas que se pautam pelo preço justo, repartição de benefícios pelo acesso ao patrimônio genético e aos conhecimentos tradicionais associados e apoio a projetos de desenvolvimento sustentável local. Esse modelo de negócio tem se mostrado efetivo na geração de valor social, econômico e ambiental para a Natura e para as comunidades.

**\_GEE:** Gases de Efeito Estufa.

**\_Índice de Inovação:** Participação nos últimos 12 meses da venda dos produtos lançados nos últimos 24 meses.

**\_Instituto Natura:** é uma organização sem fins lucrativos criada em 2010 para fortalecer e ampliar nossas iniciativas de Investimento Social Privado. Sua criação nos permitiu potencializar os esforços e investimentos em ações que contribuam para a melhoria da qualidade do ensino público.

**\_Mercado Alvo:** Referente aos dados de mercado alvo da SIPATESP/Abihpec. Considera somente os segmentos nos quais a Natura opera. Exclui fraldas, itens de higiene oral, tintura para cabelo, esmaltes, absorventes dentre outros.

**\_Operações em Consolidação:** Agrupamento das operações: Argentina, Chile e Peru.

**\_Operações em Implantação:** Agrupamento das Operações: Colômbia e México.

**\_PLR:** Participação nos Lucros e Resultados.

**\_Programa Natura Crer Para Ver:** Linha especial de produtos não cosméticos, cujo lucro é revertido para o Instituto Natura, no Brasil, e investido pela Natura em ações sociais nos demais países onde operamos. Nossas consultoras e consultores se engajam nas vendas em prol de seu benefício social, sem obter ganhos.

**\_Rede de Relações Sustentáveis:** Modelo Comercial adotado no México que contempla oito etapas de avanço da consultora: Consultora Natura, Consultora Natura Empreendedora, Formadora Natura 1 e 2, Transformadora Natura 1 e 2, Inspiradora Natura e Associada Natura. Para ascender na atividade, é preciso atender a critérios de volume de vendas, atração de novas consultoras e – como diferencial dos demais modelos existentes no país – desenvolvimento pessoal e de relações socioambientais na comunidade.

**\_Repartição de Benefícios:** Com base na Política Natura de Uso Sustentável da Biodiversidade e do Conhecimento Tradicional Associado, é utilizada a premissa de repartir benefícios sempre que percebermos diferentes formas de valor nos acessos que realizamos. Sendo assim, uma das práticas que definem a forma como esses recursos serão divididos é associar pagamentos ao número de matérias-primas produzidas a partir de cada planta e ao sucesso comercial dos produtos para os quais essas matérias-primas servem de insumo.

**\_Sipatesp/Abihpec:** Sindicato da Indústria de Perfumarias de Artigos de Toucador do Estado de São Paulo / Associação Brasileira da Indústria de Higiene Pessoal, Perfumaria e Cosméticos.

## reapresentações

**\_Itens não caixa:** reapresentação dos valores do 4T12, 2012 e 9M13 para melhor comparação.

**\_Composição do Custo:** Reapresentação dos valores de 4T12 e 2012 do quadro entre as linhas de Mão de Obra e Outros.

**\_Capital de Giro 4T12 e 2012:** Alguns saldos do balanço de 2012 foram reclassificados, conforme nota explicativa número 4.3, para melhor apresentação e comparação com os critérios contábeis adotados em 2013 impactando as variações de capital de giro do período.

**\_Demonstração de Resultados de 2012:** com a finalidade de permitir a comparabilidade das demonstrações financeiras com períodos anteriores à adoção das alterações contábeis, os valores apresentados neste documento referentes a 2012 foram atualizados integralmente no 4T12 de acordo com a IAS 19, que modifica a forma de contabilização de todos os ganhos e prejuízos atuariais, exigindo que estes sejam reconhecidos por meio do “outros resultados abrangentes”, na Demonstração dos Resultados Abrangentes e no Patrimônio Líquido, líquido do imposto de renda e da contribuição social diferido. Desta forma, o EBITDA e o lucro líquido diferem de forma imaterial dos valores anteriormente divulgados pela companhia.

O EBITDA não é uma medida utilizada nas práticas contábeis adotadas no Brasil, não representando o fluxo de caixa para os períodos apresentados. Também não deve ser considerado como uma alternativa ao lucro líquido na qualidade de indicador do desempenho operacional ou uma alternativa ao fluxo de caixa na qualidade de indicador de liquidez. O EBITDA não tem um significado padronizado e sua definição na Sociedade, eventualmente, pode não ser comparável ao LAJIDA ou EBITDA definido por outras companhias. Ainda que o EBITDA não forneça, de acordo com as práticas contábeis adotadas no Brasil, uma medida do fluxo de caixa, a Administração o utiliza para mensurar o desempenho operacional da Sociedade. Adicionalmente, entendemos que determinados investidores e analistas financeiros utilizam o EBITDA como indicador do desempenho operacional de uma companhia e/ou de seu fluxo de caixa.

Este relatório contém informações futuras. Tais informações não são apenas fatos históricos, mas refletem os desejos e as expectativas da direção da Natura. As palavras "antecipa", "deseja", "espera", "prevê", "pretende", "planeja", "prediz", "projeta", "almeja" e similares, pretendem identificar afirmações que, necessariamente, envolvem riscos conhecidos e desconhecidos. Riscos conhecidos incluem incertezas, que não são limitadas ao impacto da competitividade dos preços e produtos, aceitação dos produtos no mercado, transições de produto da Companhia e seus competidores, aprovação regulamentar, moeda, flutuação da moeda, dificuldades de fornecimento e produção e mudanças na venda de produtos, dentre outros riscos. Este relatório também contém algumas informações "pró-forma", elaboradas pela Companhia a título exclusivo de informação e referência, portanto, são grandezas não auditadas. Este relatório está atualizado até a presente data e a Natura não se obriga a atualizá-lo mediante novas informações e/ou acontecimentos futuros.



# NATURA MANAGEMENT REPORT 2013

MESSAGE FROM THE FOUNDERS

## Commitment to the essential

*"Nevertheless, the growth of equality demands something more than economic growth, even though it presupposes it. It demands first of all 'a transcendent vision of the person'... I am convinced that from such an openness to the transcendent a new political and business mentality can take shape, one capable of guiding all economic and financial activity within the horizon of an ethical approach which is truly humane... I ask you to ensure that humanity is served by wealth and not ruled by it."*

***Excerpt from the address of Pope Francis to the World Economic Forum on January 17, 2014***

In Brazil and the world, we live in times of uneasiness over change. Amidst a dearth of world leadership that offers effective alternatives when faced with the concerns of our society, the words and presence of Pope Francis are emblematic. Regardless of personal faith, the first Latin American pontiff soon won international attention for his strong stance guided by simplicity, the defense of essentiality and the pursuit of the common good. It is important to point out that, at this historic moment, it was a spiritual leader who addressed the heads of major global economies to explain that our civilization is intrinsically connected to a production model that is indifferent to fundamental issues that call on us to take responsibility.

The unexpected and transforming force of Pope Francis reminds us of the famous quote by French thinker André Malraux: "The 21<sup>st</sup> century will be spiritual or will not." Regardless of the interpretations that religiosity or spirituality inspire, it seems clear that his transcendent vision is fundamentally linked to the reclamation of ethical principles; an indispensable posture that, under the glow of altruism, guides all individual, social, business and government actions. And which certainly reinvigorates hope and the effective

pursuit of a new, more human and harmonious way of managing public and private activities.

As an organization that has always been committed to life, Natura identifies with this longing for transformations that will allow us to build new development paths that are capable of confronting the economic, social and environmental challenges of our day. We have evolved our governance model to trace our future with greater confidence. Our contribution is translated not only through our corporate behavior, but also through the concepts expressed in our products. In this context, innovation is a key element in our strategy for yesterday, today and tomorrow. An expression of Natura's identity, it promotes progress on all fronts of our activities. Here I should mention the company's new research center in New York, which complements the centers that already exist in Cajamar, São Paulo, and in Amazonia. We are also celebrating the first year of integration with the Australian brand Aesop, which has proven to be in perfect harmony with our culture, bringing new creative approaches to the Natura universe and expanding our potential to reach out to different publics and regions.

It is increasingly clear that we have an extraordinary opportunity to take our value proposition to other geographies. We are encouraged by our solid results and by the way our operations in Latin American have come to be recognized, but we know that our success depends directly on the development of new capabilities throughout this decade. In Brazil, we have made important investments that will empower Natura for another cycle of development with the opening of new facilities in São Paulo and Ecopark, which is an industrial park located in the state of Pará which aims to attract companies interested in developing sustainable businesses as well as encourage local entrepreneurship.

In the light of the promising results and initiatives in 2013, we reaffirm our confidence that Natura will continue to seek answers to concerns, which mobilize us towards our commitment to the concept of *well being well*. Inspired by this feeling, we want to join forces with everyone who shares our ideals so that we can help build a world in which people are more conscious of the fact that quality of life is simply essential.



Antonio Luiz da Cunha Seabra  
Pedro Luiz Barreiros Passos  
Guilherme Peirão Leal  
Founders

## MESSAGE FROM THE EXECUTIVE COMMITTEE

# Ever more Natura

The year 2013 reinforced our belief that Natura will expand its frontiers far beyond the boundaries of its current operations. Our value proposition, which is rooted in promoting the concept of *well being well*, sales made through relationships and corporate behavior in keeping with sustainable development, has the potential to reach new markets and consumers, whether in regions where we currently operate or in new regions. The solid results achieved by our International Operations in Latin America reaffirm this perception. By the end of 2013, these operations already accounted for 14% of our business and have maintained an annual growth rate in excess of 30% over the last few years, and now are accompanied by significant improvement in profitability. In Mexico, we reached the significant mark of 100,000 consultants in January, which reaffirms our brand's appeal in this market as well.

In Brazil, it was a year of recovery that started relatively slow and began to gain strength in the second half of the year. Productivity gains in our network will be driven by increased buying frequency and a greater number of categories purchased by our consumers, supported by the series of initiatives implemented over the last few years: the redesign of our production and distribution capacity, marketing investments and our ability to innovate, among other factors. Despite the ever more competitive environment, we are confident that we have created the conditions for our consultants to do more and more business with Natura. A key element of this is the quality of services provided, which once again set new records for delivery time and order fill rate in 2013.

As a result, we ended the year with total net revenue of R\$ 7.01 billion, EBITDA of R\$ 1.61 billion and net income of R\$ 842.6 million. These results were driven

by a cycle of strong investments in our operations and logistics model as well as growing investment in information technology.

In this sense, 2013 will also be remembered as a milestone for the Natura Network, which leverages digital technologies and connectivity to boost direct sales. The network was successfully tested in the interior region of the São Paulo state and will be rolled out in other regions of Brazil over the course of 2014. It is one of the first outcomes of our future strategy. This strategy envisages a Natura that serves consumers through different mediums and categories. It is about a Natura that goes beyond cosmetics, fragrances and toiletries products, transcends the borders of Latin America, manifests itself through brands that fill niches in distinct markets – which is the case of Aesop, an Australian company we acquired in early 2013 that advocates a new take on urban beauty, while operating in market niches that we had yet to explore.

Similarly, we seek to reaffirm sustainability as a driver of innovation and new business opportunities. We want to continue contributing to the construction of a sustainable development model based on relevant targets, like the one we established in 2007, when we decided to reduce our greenhouse gas emissions by 33%, which we achieved by December 2013.

To capture new opportunities in the market and in our relationship network, we implemented a new organizational design and expanded the executive group, which are advances that were accomplished while we celebrated our best result ever in the survey of organizational climate conducted with our employees since we began measuring it in 1994.

We also know that transformations in our society have an impact on business environments as well, which should accelerate the search for new types of relationship between people and companies, promoting much needed alignment between the zeitgeist and the concept of *well being well*. Despite this scenario in constant flux, which by nature poses a high degree of uncertainty, we believe that every day we acquire new knowledge and skills that make us more capable of realizing our dreams. We are therefore very excited to participate in the rise of a new development cycle in which, paradoxically, Natura will become

substantially different over the coming years in order to become, above all, even more Natura.

Alessandro Carlucci  
Chief Executive Officer

## Overview

Established in 1969, Natura is Brazil's largest company in the cosmetics, fragrances and toiletries industry, with a strong presence in Latin America - Argentina, Chile, Mexico, Peru, Colombia and Bolivia - as well as in France. The company's passion for relationships led it to adopt direct sales as a business model, and today it is the leader in Brazil's direct sales industry. Our network has over 1.6 million consultants who disseminate the company's value proposition to its consumers.

## Market context

Our industry remains competitive in Brazil, posting growth of 8.1% in the period from January to October 2013, according to data from the São Paulo State Perfumery and Toiletries Association (Sipatesp) and the Brazilian Cosmetics, Fragrances and Toiletries Industry Association (Abihpec). Less sensitive to economic fluctuations, the industry is more correlated to the level of household disposable income, which continues to grow, though at a slower pace than in prior periods.

This year, although we lost 120 basis points of market share in Brazil, through October, the second half of the year started to show signs of recovery. Market share loss was concentrated mainly on cosmetics, while we managed to maintain in the toiletries category, supported especially by our launch of the sub-brand Sou. The result for the last two months of the year is still pending disclosure.

In Latin America, the industry continued to grow at rates above the world average and Natura grew over 30% per annum, continuing to expand its market share and improve brand preference in all countries in which it operates.

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## Results:

	2009	2013	Avg. annual change, %
Number of NCs	1,038.9	1,656.5	+12
Total net revenue (R\$ million)	4,242.1	7,010.3	+13
Net revenue – Intl. Ops. (R\$ million) <sup>1</sup>	292	1,130.1	+40

### 1. International Operations. Figures for 2013 include Aesop.

Dividends (R\$ per share)	1.37	1.99	+ 10
Relative CO2 emissions (kg of CO2e/kg of product)	3,55	2,79	- 6

Profile of shareholders	2013

Individuals	10,111
Legal persons in Brazil	594
Legal persons abroad	781
<b>Total</b>	<b>11,486</b>

## Business model

# Natura's elements of value creation

Our proposition of promoting the concept of well being well guides the way in which we operate, our business model, the development of our products and concepts and the way we relate with our stakeholders. Learn more about the main resources we use, the differentials of our operations and the value created.

### HOW WE OPERATE

#### Our main resources:

- economic:
  - public corporation listed on the BM&FBovespa, with 59.83% of its stock held by the controlling group, 39.10% forming the free-float and 1.07% held by the managers and in treasury.
  - strong cash generation and low net debt, with the latter corresponding to 0.73 times EBITDA.
  - net revenue of R\$ 7.01 billion (+10.5% vs. 2012).
  - investment (capex) of R\$ 553.9 million.
- infrastructure:
  - Eight distribution centers in Brazil.
  - Production facilities in Cajamar, São Paulo, and in Benevides, Pará, as well as outsourced production in Brazil, Argentina, Mexico and Colombia.
  - We also own the Australian brand Aesop, with products in Oceania, Asia, Europe and North America.
- environmental resources:
  - the social and biodiversity assets, which represent one of the brand's important advantages.
  - water, which is used in production process and during the use and disposal of products by consumers.

#### human capital:

- over 7,000 employees: Brazil (80%), Argentina, Chile, Peru, Mexico,

Colombia, France and New York\*.

- intellectual capital:
- innovation index of 63% (share of products launched less than two years ago).
- investments in innovation of R\$ 181 million (3% of net revenue).
- our relationships:
- network of over 1.6 million NCs in Brazil and other Latin American countries, as well as in France
- 100 million consumers\*\*
- Nearly 5,000 suppliers
- 32 supplier communities and 3,100 families (who extract inputs from the social and biodiversity)
- Communities in the vicinity of our operations

## HOW WE ADD VALUE

### **Corporate behavior**

Actions focused on Natura's priority sustainability topics: quality of relationships; climate change; social biodiversity; solid waste; water; sustainable entrepreneurship; education.

Natura Management System, which structures Natura's main differentials in its routines and processes.

### **Products and concepts**

A vision of innovation that encompasses all elements of the business: product and concept development, sales model and efforts to capture new business opportunities.

An open innovation platform with a network of some 180 partners.

Research and development centers in Cajamar, São Paulo, and Benevides, Pará, a knowledge center in Manaus, Amazonas, and an innovation center in New York (USA).

### **Relationship Network**

A company policy that establishes relationships and benefit sharing with the communities who supply assets from social biodiversity.

A leadership development program that has benefited 57% of today's leaders.

A supplier development program that includes social and environmental criteria and features monitoring of indicators, such as CO2 emissions, water consumption and investment in employee education.

Developments programs for Natura Consultants (NCs) and Natura Consultant Advisors

(NCA) that cover aspects ranging from digital inclusion to sustainable entrepreneurship in the company's relationship networks.

\*Does not include Aesop

\*\*The figure for Brazil is based on the indicator of penetration in Brazilian households.

**Value and impacts generated:**

**Main results**

Indicator	2011	2012	2013
<b>Economic (R\$ million)</b>			
Consolidated net revenue	5,591.4	6,345.7	7,010.3
Consolidated EBITDA	1,425.0	1,511.9	1,609.0
Consolidated net income	830.9	874.4	842.6
Internal cash generation <sup>1</sup>	964.0	1,018.9	1,102.3
Free cash flow	410.4	878.8	378.1
Average daily trading volume in the stock <sup>2</sup>	43.7	54.3	61.1
Funds destined to supplier communities	10.0	12.1	11.2
Business volume in the Amazon region <sup>3</sup>	n/a	121.8	201.5
Percentage of revenue contributed by the Intl. Ops. (%) <sup>4</sup>	9.0	11.6	14.4
<b>Environmental</b>			
Relative GHG emissions (kg of CO <sub>2</sub> e/kg of product manufactured) <sup>5 6</sup>	3.12	2.99	2.79
Absolute GHG emissions ('000 t) <sup>6</sup>	260	280	313
Water consumption (liters/unit manufactured)	0.40	0.40	0.40
Solid waste generation (grams/unit manufactured)	20	26	22
<b>Social</b>			
Work climate survey – Favorable ratings by Employees <sup>7</sup>	70	72	78
Loyalty of NCs in Brazil <sup>8</sup>	19	24	23
Loyalty of NCAs in Brazil <sup>8</sup>	n/a	38	38
Loyalty of Suppliers in Brazil <sup>8</sup>	27	23	30
Loyalty of Consumers in Brazil <sup>8</sup>	66	53	54
Funds raised by the Believing is Seeing program in Brazil (R\$ million)	8.4	12.8	17.0
<b>Other</b>			
Number of NCs	1,421	1,573	1,657
Innovation Index	64.8	67.2	63.4
Employee training (hours/employee)	85.2	87.6	90.3
Overall rating of the brand image survey in Brazil <sup>9</sup>	73	79	78

1. Represents operating cash generation before the effects of working capital variation and capex
2. Source: Bloomberg.
3. Includes Natura and other partners.
4. Including Aesop, the share of the International Operations in 2013 is 16.1%.
5. CO2 (or CO2 equivalent): measure used to express greenhouse gas emissions based on the global warming potential of each gas. The 2012 result was recalculated due to changes in the emission factor of Brazil's energy matrix.
6. Includes scopes 1, 2 and 3 of the GHG Protocol.
7. Climate Survey: Hay Group.
8. Loyalty Survey: Ipsos Institute.
9. Brand Essence Institute Survey: Ipsos,

Wealth distribution (R\$ million)			
	2011	2012	2013
Shareholders <sup>1</sup>	763	855	856
Consultants	2,906	3,211	3,390
Employees	634	803	917
Suppliers	4,363	4,837	5,425
Government	1,472	1,743	1,804
<b>Total</b>	<b>10,138</b>	<b>11,449</b>	<b>12,392</b>

<sup>1</sup> Figures correspond to the dividends and interest on equity effective paid to shareholders, i.e., cash basis of accounting.

### Distribution of dividends

On February 12, 2014, the Board of Directors approved the proposal to be submitted to the Annual Shareholders Meeting to be held on April 11, 2014 for the payment, on April 16, 2014, of the balance dividends and interest on equity relative to fiscal year 2013, in the amounts of R\$ 474.0 million and R\$ 22.4 million (R\$ 19.0 million net of withholding tax), respectively.

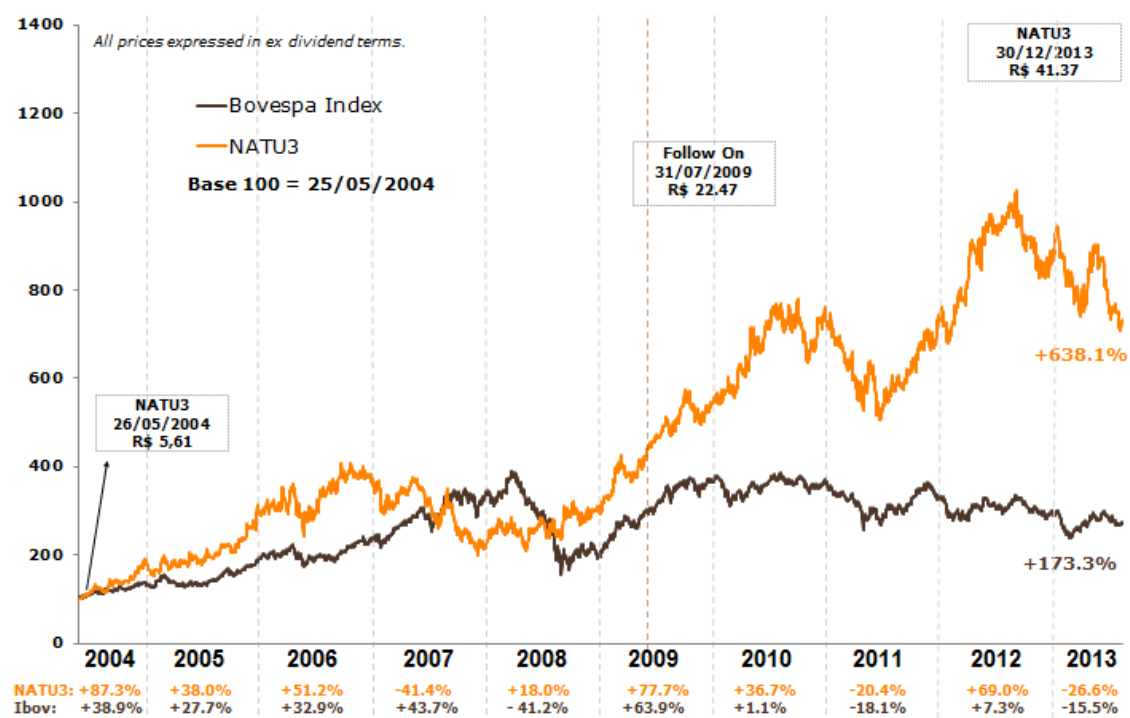
On August 15, 2013, interim dividends of R\$337.3 million and interest on equity of R\$23.4 million (net of withholding tax) were paid.

These dividends and interest on equity relative to fiscal year 2013 represent a net payout of R\$ 1.99 per share and correspond to 100% of net income [1] for 2013.

[1] Net income calculated in accordance with Brazilian Corporation Law.

### Stock performance





Source: Bloomberg

## Strategy and outlook

In 2013, we practically completed a cycle of training and investments in logistics infrastructure that led to a high level of quality in the services provided to NCs and shorter delivery times, down from 5.1 days to 4.5 days (35% of these orders are already being delivered in 48h). As a result, we were able to develop significant initiatives: the administrative and distribution center in São Paulo, and the industrial complex Ecopark in the state of Pará to be opened in March 2014, and the expansion in production capacity in Cajamar, Sao Paulo. These efforts prepare Natura to strengthen its business and meet the demands of the Brazilian market in the short term in light of the increasingly tougher competitive scenario. Starting this year, we will have a higher concentration of resources in digital technology, which will allow us to strengthen our current business and ensure our competitiveness, while building the foundations for Natura's future growth.

In our International Operations, which are currently focused on Latin America, we have maintained robust growth over the last few years at annual rates above 30%. We expect to maintain these growth levels by expanding our consultant network, which is already 366,500 strong, while continuing our efforts to build our brand, continually improve service quality and improve profitability.

In Brazil, we expect to amplify our operations and maintain market share by increasing consultant productivity and the buying frequency of final consumers. This will be achieved through significant improvement in service level, product and concept innovation, and segmentation of our relationship with NCs and consumers, as well as through the continuous evolution of our commercial model.

We are focused intensely on reaching out to final consumers through new ways, new product categories and new brands, and in this way continue to fulfill our purpose of promoting the concept of well being well. With more information and greater connectivity we will be able to maximize our greatest asset: sales through relationships. One of these initiatives is the Natura Network, which enables consultants to sell products online.

Our corporate behavior has allowed us to evolve so that impacts on the environment and on society increasingly become important aspects of our decision-making process. This includes the sustainable use of resources from social biodiversity, relationships with supplier communities and other stakeholders with whom we dialogue, innovations to reduce greenhouse gas emissions and other fronts of our activities. This translates into innovative products like the Sou line, which accounted for a significant portion of our economic and environmental results already in the second half of 2013.

We reaffirm our enthusiasm with the opportunity to expand our businesses, driven by our capacity to innovate and offer, to the Natura relationship network, increasingly more relevant products and concepts that are tuned to the spirit of our time.

## CORPORATE BEHAVIOR

### **Governance and transparency**

#### **Continuous evolution**

In April of last year, Plínio Villares Musetti was elected as chairman of Natura's Board of Directors, which ended the co-chairmen model exercised for years by the controlling shareholders. With this change, we took yet another step towards professionalizing and institutionalizing our company's governance and reaffirmed our long-standing commitment to good governance practices undertaken over 16 years ago when Natura voluntarily installed a Board of Directors six years prior to going public.

Luiz Seabra, Guilherme Peirão Leal and Pedro Passos, our founders and controlling shareholders, will remain on the Board, now even more focused on and engaged in driving the organization's progress by supporting the development of new executive leaders and the consolidation of a vibrant culture that seeks to perpetuate our beliefs and inspire the company's strategic vision.

We have evolved our organization by increasing our focus on the company's strategy, aiming to achieve our results. The Executive Committee (Comex) was expanded in 2013, incorporating new roles and areas. We also revised our corporate structure based on three large areas. The first, focusing on management of Brands&Business, which is also responsible for innovating products and concepts. The second, a Network area, responsible for the relationship with our consultants and their clients in the multiple regions where we operate. And the third, formed by the company's corporate areas, such as Finances, People, Operations and IT.

## **Organizational design**

### **Brands and Businesses**

Product Innovation

Brand Architecture

Marketing

New Business (Brands and Categories)

Product availability

### **Corporate areas**

Networks

Operations in Brazil's regional markets

Operations in international markets

Logistics

CRM

Innovation in the Commercial Model

Natura Network

## **Risk management**

Natura's risk management is an instrument integrated into the strategic planning cycle and considers the economic, social and environmental aspects of two main groups: strategic aspects, which can affect the company's ambition and continuity; and operational aspects, which evaluate our internal processes.

We built a risk map based on assessments of our value chain and of our entire operations, which identified 62 risk categories. This process is monitored by one of the executives on the committee and linked to management action plans. The Board of Directors, through its various committees, also monitors all strategic risks inherent to the Company.

The map includes aspects related to the commercial model, innovation capacity, taxation, biodiversity, product quality and employees, as well as many other aspects.

## **Commitment to the Amazon**

With the launch of operations scheduled for the first quarter of 2014, Ecopark is an industrial complex that plans to generate sustainable business opportunities based on

the Amazon's social and biodiversity and fostering local entrepreneurship. Our new soap production facility will be the first unit installed at the site, which should attract other companies with needs complementary to those of Natura. Based on an innovative concept of industrial symbiosis, the idea is that each company installed in the Ecopark can use the sub-products generated by the others, while also sharing the space (172 hectares) and basic infrastructure.

The initiative is part of the Amazonia Program launched by Natura in 2010 and was structured based on the knowledge and experience we have amassed from more than a decade of local operations. The Amazonia Program is structured on three fronts – Science and Technology, Sustainable Production Chains and Institutional Strengthening – and its goals for 2020 include: R\$1 billion in business volume in the region; connecting one thousand researchers in a network for generating innovation and technology from social and biodiversity resources; increasing the number of families involved to 10,000 from the current 3,100; and increasing the consumption of inputs produced in the region to 30% from the current level of 13.4%.

In 2013, we distributed R\$ 11.1 million to supplier communities in supply funds, benefit sharing and other funds. The result fell short of the target for the period (R\$ 13.6 million) and was below the amount distributed in the previous year (R\$ 12 million). This performance was influenced by the reduction in raw material purchases due to the destocking of inventories formed in 2012, when sales were lower than projected. On the other hand, total investments made in the region amounted to R\$ 201.5 million, surpassing the target for the period of R\$ 190 million, which mainly reflects the investments made in Ecopark.

## Climate change

In 2013, we registered a reduction of 33.2% in our relative greenhouse gas emissions in relation to 2006, effectively fulfilling the commitment we signed in that year to pursue alternatives for reducing our impact on climate change by 33%. This reduction considers our entire production chain, from the extraction of raw materials to the use and disposal of products by consumers. We also reduced the absolute emissions of our production facilities by nearly 10% between 2008 and 2012.\*

The challenge of lowering our emissions led to many innovations and created innumerable learning experiences for Natura. Launched in 2007 to structure these reduction initiatives, the Carbon Neutral Project resulted in the creation of a carbon management system in all stages of the production process, such as product development and manufacturing, the order cycle (the relationship with CNs, which includes the production of Natura catalogues, order registration and sorting for delivery) and transportation.

This is an excellent example of how incorporating social and environmental challenges into the strategic planning and decision-making process can lead to innovation and positive results for the company, while reducing impacts on society.

As part of the evolution of these learning experiences, we continue to implement innovations and to test alternatives that can help increasingly reduce our impacts as our business grows. Last year, we became the first company to use cargo trucks and charter buses for employee transportation that are powered by ethanol. At the end of the year, we started testing nine electric vehicles in the logistics network for delivering orders to consultants. The alternatives include bicycles, tricycles and electric cars. Once

again, this is the first time a company has used electric vehicles for freight transportation in Brazil. This pioneering initiative will most likely provide us with valuable knowledge about this alternative means of transportation that could lead to future benefits, not only for reducing emissions, but also for mobility in urban centers.

*\* In 2012, we reported a reduction of 7.4%, but the indicator was recalculated after the federal government made a correction in the electric power emissions factor.*

## Valuing ecosystemic services

Our commitment to a sustainable development model motivates us to conduct studies to measure the impact of our activities on social and environmental resources, which are also known as externalities. In 2013, we participated in the B-Team, a consortium of international companies and consultants whose objectives include developing a model for assessing the social and environmental impacts caused by these companies.

Our plan is to have assessed all of Natura's externalities within the medium term, considering the social and environmental impacts. This will allow us to reach a point in the future when companies adequately value the services provided by ecosystems and biodiversity and investors begin considering the social and environmental gains or losses associated with an activity (externalities) in their risk and opportunity analyses.

## Products and concepts

Our understanding of innovation is not limited to the development of new products and concepts, but permeates the entire organization in a multidisciplinary and transversal vision. It is incorporated into our sales strategy, our pursuit of new activities, our techniques for handling and extracting inputs from biodiversity and even our logistics operations.

To accomplish our vision of the future and offer unique products and concepts that are relevant to consumers, we must adopt a broad view of innovation that is linked to trends and the pursuit of new opportunities, as a mean to express the beliefs and values of our company. Driven by this purpose, we entered into a cooperation agreement with the São Paulo State Research Support Foundation (FAPESP) for the creation of a Center for Applied Research into Human Well-being and Behavior. Launched in 2013, the center will build a solid base of knowledge on promoting well-being, cultural patterns and human behavior through research in neuroscience, positive psychology, social psychology, neuroimaging, neuropsychophysiology and psychometrics, among other fields.

With investments of R\$20 million over ten years, which will be shared equally by the two institutions, the research, in addition to generating innovative Natura products, will also be transferred to society, including the business, nongovernmental and public sectors.

We also installed an international office in New York for the development of new concepts and products of international relevance. Our innovation structure also includes innovation and knowledge centers in Cajamar, SP and Manaus, AM as well as partnerships with institutions in Brazil, the United States, France and other countries.

**BOX**

## **Sou: integrated results**

Sou, the new sub-brand launched in 2013, is a practical example of how we structure our products based on concepts that go way beyond sensorial and technical quality. Sou, which in Portuguese means "I am," has already made a significant contribution to our sales results and environmental impact in the second half of 2013 and should foster discussion on ethical consumerism. Launched in June, Sou has 27 hair and skin care products developed through a fully integrated process (idea, product development, marketing and advertising). The brand was created under an entirely new perspective, fully designed to consume the least possible amount of materials and ingredients, without using pigments, while offering high quality and uniqueness at affordable prices.

The differentials of this line include:

**I'm essential** – What's important stays with you: moisturizing, captivating texture and wonderful fragrance.

**I'm a formula without excess** – Fewer ingredients. No dyes and only one olfactory signature.

**I'm a new packaging** – Modern and light. 70% less plastic and 60% less pollutant gases. Less transportation and less pollution.

**I'm an efficient process** – Less waste. Shorter production time. Lower energy consumption.

**I'm good to the last drop** – Flexible packaging so you can use all of the product.

**I'm about less waste in nature** – Once the product is finished, dispose of it along with other plastic waste for recycling.

**Contribution to the business** – incremental EBITDA growth with a significant share of sales already in 2013. Lower GHG emissions. The knowledge acquired was adopted company wide.

## Relationship Network

In 2013, we continued the set of initiatives aimed at gradually expanding the shopping basket of our consumers and consequently increasing the productivity of our Natura Consultants in Brazil. Coupled with product and concept innovation, we adjusted sales team incentives to increase the focus on productivity, offered nine new payment means to consultants, maintained the trend of significantly improving service quality and invested even more in information technology. The initiatives led to an increase of 1.4% in average consultant productivity in 2013, 6.2% of which in the fourth quarter of the year.

These efforts will continue in 2014, with initiatives that include the development of mobile applications to help manage the business and the mapping of practices adopted by consultants with the highest productivity to disseminate them throughout the network.

We are currently experiencing a transformation in our model based on digital technologies and connectivity as levers of direct sales. We believe that technology will facilitate the activities of the Natura Consultant network, foster social entrepreneurship and strengthen the relationships among consultants, their customers and Natura.

### **Quality relationships**

We believe that establishing a dialogue with the stakeholders that form our value chain is critical to identifying solutions and challenges for our business. That is why we have made an integral part of our culture the participation of various stakeholders in strategic projects and regular monitoring of the quality of our relationships with key shareholders.

As part of this effort, we regularly monitor this relation by considering satisfaction and loyalty indicators. In our 2013 work climate survey of employees, we achieved a 78% favorability rating, which represents an increase of 6 percentage points from the previous year and the best level ever since our first work climate survey was conducted in 1994.

We also enjoyed significant improvement in supplier loyalty, which increased by 6.3 percentage points to 29.7%.

Among Natura Consultants, the results were virtually stable, with NC loyalty of 23%, down from 24% in 2012. Among Natura Consultant Advisors (NCAs), the index was unchanged at 38%.

We acknowledge that there is still room for progress and plan to further consolidate a network environment that is based on trust and transparency and capable of creating a more inclusive business management process that produces collaborative actions, solutions and innovations.

### **Referral to the Market Arbitration Chamber**

The Company, its shareholders, officers, directors and members of the Audit Board agree to settle exclusively through binding arbitration, which shall be conducted in the Market Arbitration Chamber, any and all disputes or controversies that may arise between them that are related to or arise from, in particular, the application, validity, effectiveness, interpretation, violation and related effects of the provisions in Federal Law 6,404/76, the Company's bylaws, the rules published by the National Monetary Council (CMN), by the Central Bank of Brazil and by the Securities and Exchange Commission of Brazil (CVM), as well as those in the Novo Mercado Listing Regulations, the Regulations of the Market Arbitration Chamber, the Regulations for Application of Pecuniary Sanctions in the Novo Mercado and the Novo Mercado Participation Agreement.

## **Relationship with the independent auditors**

In compliance with Instruction 381/03 issued by the Securities and Exchange Commission of Brazil (CVM), we inform that the Company and its subsidiaries adopt as formal procedure consulting the independent auditors Ernst & Young Auditores Independentes S.S. to ensure that the rendering of these other services will not impair its independence and objectivity required to perform the independent audit services as well as obtaining due approval from its Audit Committee. The company's policy of not hiring the services of independent auditors ensures that there are no conflicts of interest or loss of independence or objectivity.

To accurately and transparently portray our performance on the economic, environmental and social levels, we have adopted the Global Reporting Initiative (GRI-G4) guidelines, whose criteria will be extensively developed in our 2013 Annual Report.

All social and environmental data contained in the GRI indicators are subjected to verification by Ernst & Young Auditores Independentes S.S., our independent auditor. In the case of the GHG emissions in 2013, a specific verification (limited assurance) was conducted of the inventory data, also by Ernst & Young.



São Paulo, February 12, 2014 – Natura Cosméticos S.A. (BM&FBovespa: NATU3) announces today its results for the fourth quarter of 2013 (4Q13) and fiscal year 2013. 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).

**4Q 13**



**RESULTS**

***Sales in 4Q13 grow 9.3% in Brazil and 34.5% in Latin America  
Natura meets commitment to reduce its relative greenhouse gas emissions by 33%***

In the fourth quarter of 2013, Natura's consolidated net revenue grew 15.5% compared to 4Q12 (10.5% versus 2012), EBITDA<sup>1</sup> amounted to R\$538.7 million (R\$1,609.0 million in 2013) and net income was R\$294.1 million (R\$842.6 million in the year).

After a slow start to the year in Brazil, these results confirm that we have achieved the objectives we proposed at the end of the first half of the year: gradual recovery in revenue growth and profitability, while making the investments required to support our medium-term strategy.

In Brazil, we intensified our marketing investments, successfully launched the SOU line, obtained solid results from our sales strategies for commemorative dates<sup>2</sup>, added new payment options for consultants and, in line with our strategy, recovered growth in sales and consultant productivity throughout the second half of the year. In 4Q13 in relation to the prior-year period, net revenue grew 9.3%, consultant productivity<sup>3</sup> increased 6.2% (1.4% in the year) and the consultant base expanded 2.3% (3.9% in the year).

In 2013, the International Operations accounted for 14.4% of our sales (11.6% in 2012) and for 14.6% of sales in 4Q13 (12.3% in 4Q12); including Aesop, they accounted for 17.0%. Our good results in terms of revenue, profitability, service quality and brand preference in all countries reinforces our conviction that we continue to build a solid business platform in the region. In the year, net revenue from the Operations in Consolidation grew 34.3% in local currency (35.3% in Brazilian real), while the revenue from the Operations in Implementation grew 24.5% in local currency (37.7% in Brazilian real). The highlight was Mexico, where since 2011 we have implemented a multi-level model (Sustainable Relations Network) that fosters entrepreneurship and accelerated growth in our consultant base. After the learning phase and adjustments to the model, over the course of 2013 we reached high and sustainable levels of growth in the consultant base, surpassing, in January 2014, the symbolic mark of 100,000 consultants in Mexico.

AESOP, the Australian cosmetics brand we acquired in February 2013, posted results in line with its growth plan. We opened 28 stores, including in three new countries. Today, AESOP has 80 stores and is present in 10 countries.

<sup>1</sup> Based on pro-forma EBITDA. Figures for 2012 and 4Q12 were stated in accordance with item 6 herein.

<sup>2</sup> Valentine's Day, Mother's Day, Father's Day and Christmas.

<sup>3</sup> Productivity at retail prices = (gross revenue in the period/average number of consultants in the period)/(1 - % consultants' profit).

(R\$ million)	4Q13	4Q12	Change (%)	2013	2012	Change (%)
Brazil Gross Revenue	2,454.2	2,257.8	8.7	8,040.3	7,629.4	5.4
International Gross Revenue	395.2	293.4	34.7	1,273.5	936.6	36.0
<b>Consolidated Gross Revenue ex. Acquisition</b>	<b>2,849.4</b>	<b>2,551.2</b>	<b>11.7</b>	<b>9,313.8</b>	<b>8,566.1</b>	<b>8.7</b>
Brazil Net Revenue	1,797.7	1,645.0	9.3	5,880.2	5,611.2	4.8
International Net Revenue*	307.7	230.1	33.7	992.2	734.4	35.1
<b>Consolidated Net Revenue ex. Acquisition</b>	<b>2,105.4</b>	<b>1,875.0</b>	<b>12.3</b>	<b>6,872.4</b>	<b>6,345.7</b>	<b>8.3</b>
<b>% Share International Net Revenue</b>	<b>14.6%</b>	<b>12.3%</b>	<b>2.3 pp</b>	<b>14.4%</b>	<b>11.6%</b>	<b>2.9 pp</b>
Brazil pro-forma EBITDA	506.1	453.1	11.7	1,557.1	1,523.7	2.2
% Brazil pro-forma EBITDA Margin	28.2%	27.5%	0.6 pp	26.5%	27.2%	(0.7) pp
International pro-forma EBITDA	16.0	10.0	n/a	38.1	(11.8)	n/a
% International pro-forma EBITDA Margin	5.2%	4.3%	0.9 pp	3.8%	(1.6)%	5.4 pp
<b>EBITDA ex. Acquisition</b>	<b>522.1</b>	<b>463.1</b>	<b>12.7</b>	<b>1,595.2</b>	<b>1,511.9</b>	<b>5.5</b>
% Consolidated EBITDA Margin ex. Acquisition	24.8%	24.7%	0.1 pp	23.2%	23.8%	(0.6) pp

\*Growth in local currency of 33.9% in 4Q13 vs 4Q12 and 30.1% in 2013 vs 2012

*In February 2013, we concluded the acquisition of the Australian company AESOP. To improve comparisons, the table does not include the effects from the consolidation of this acquisition or the associated costs.*

*The table on the right presents consolidated data that includes the effects from the consolidation of AESOP and the costs associated with the acquisition, which was concluded in February 2013.*

(R\$ million)	4Q13	4Q12	Change (%)	2013	2012	Change (%)
<b>Consolidated Net Revenue</b>	<b>2,165.6</b>	<b>1,875.0</b>	<b>15.5</b>	<b>7,010.3</b>	<b>6,345.7</b>	<b>10.5</b>
<b>Consolidated EBITDA</b>	<b>538.7</b>	<b>463.1</b>	<b>16.3</b>	<b>1,609.0</b>	<b>1,511.9</b>	<b>6.4</b>
% Consolidated EBITDA Margin	24.9%	24.7%	0.2 pp	23.0%	23.8%	(0.9) pp
<b>Consolidated Net Income</b>	<b>294.1</b>	<b>270.5</b>	<b>8.7</b>	<b>842.6</b>	<b>874.4</b>	<b>(3.6)</b>
% Consolidated Net Margin	13.6%	14.4%	(0.9) pp	12.0%	13.8%	(1.8) pp
<b>Internal cash generation</b>	<b>387.2</b>	<b>297.1</b>	<b>30.3</b>	<b>1,102.4</b>	<b>1,018.8</b>	<b>8.2</b>
<b>Free Cash Generation</b>	<b>293.4</b>	<b>334.3</b>	<b>(12.3)</b>	<b>378.1</b>	<b>878.7</b>	<b>(57.0)</b>
<b>Net Debt / EBITDA</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>0.73</b>	<b>0.36</b>	

In 2013, our EBITDA grew by 6.4%. While in the Latin America Operations EBITDA went from a loss in 2012 to positive territory in 2013, in Brazil, the higher investments in marketing and promotions, as well as the lower dilution of logistics fixed costs and the ongoing investments focused on the medium term, which was partially offset by efficiency gains, led to margin compression of 70 bps. We ended the year with consolidated EBITDA margin of 23.2% (23.8% in 2012), or 23.0% including the Aesop operation. This level of EBITDA enabled us to make the investments needed to improve our competitiveness in the near term and in projects for the medium term, such as the expansion of the Natura Network planned for 2014.

In the year, consolidated net income<sup>4</sup> decreased 3.6% from 2012, due to the growth in depreciation, the increase in financial expenses and the marking to market. Excluding the non-cash impact from this marking to market of derivatives linked to foreign-denominated debt, which is a temporary effect that will be canceled upon the maturity of each operation, net income was stable in relation to 2012.

In 2013, internal cash generation was R\$1,102.4 million, increasing 8.2% from 2012. We invested R\$170.5 million in working capital and R\$553.9 million in capex. Despite the higher working capital needs at year-end in 2013 compared to 2012, specially due to the longer payment term granted to consultants, during the year we operated with an average working capital position better than the one

<sup>4</sup> Consolidated net income including the result from Aesop.

in 2012. Capex was R\$116.4 million higher than in 2012, which also explains the 57.0% reduction in free cash flow.

This year, we invested R\$553.9 million (R\$437.5 million in 2012), mainly in consolidating our logistics model and expanding our production capacity in Cajamar and Pará (Ecoparque). These investments led to the achievement of high indicators for the quality of services rendered to consultants and to shorter order delivery times, as well as to a better balance between internal and outsourced production. We also started a new cycle of investments in information technology, with the highlight the Natura Network in Brazil.

We estimate total capex in 2014 of R\$500 million, with an increased share allocated to information technology to expand the Natura Network and to improve and integrate transaction systems in the International Operations. The production and logistics capacity built with the investments made over the last few years will allow us to reduce investments of this nature in the following years.

We reaffirm our enthusiasm with the excellent results of our International Operations and the continued growth in Brazil during the second half of the year. Despite the scenario marked by increasingly higher competition in Brazil, we remain confident that our value proposition and the execution of our strategy will keep us in a relevant position in the countries where we operate.

The year 2013 was also marked by the reaffirmation of our strategy for the medium term based on strengthening our relationship with consumers through other channels and brands, with Aesop serving as a concrete example of this path. We have made important advances in building the foundations for the execution of this strategy: we learned from and structured the Natura Network during the pilot phase in Campinas and São José dos Campos, invested in logistics and production capacity and redesigned our organizational structure to support the evolution planned for the business model and the incorporation of other brands and categories.

# 1. cosmetics, fragrance and toiletries (CFT) industry

According to SIPATESP/ABHIPEC<sup>5</sup>, and as we reported in 3Q13, our market share contracted by 180 bps during the first six months of 2013. As explained above, in the second half of 2013, our revenue growth in Brazil began to recovery gradually, which reduced our market share loss to 120 basis points (10M13), as shown in the following table:

Brazil	Market Size (R\$ Million)			Natura Market Share (%)		
	10M13	10M12	Change	10M13	10M12	Change
Cosmetics and Fragrances	10,247	9,580	7.0%	31.0%	33.4%	(2.4) pp
Toiletries	11,638	10,664	9.1%	11.5%	11.4%	0.0 pp
<b>Total</b>	<b>21,885</b>	<b>20,244</b>	<b>8.1%</b>	<b>20.6%</b>	<b>21.8%</b>	<b>(1.2) pp</b>

Source: Sipatesp

The recovery in our market share in the cosmetics and fragrances categories was due to solid results in perfumery, particularly in the Essencial, Homem, Sintonia and Tododia lines, while in the toiletries categories the highlight was our SOU line in the hair care and soap categories.

<sup>5</sup> Sipatesp/Abihpec: São Paulo State Perfumery and Toiletries Association (Sipatesp)/Brazilian Cosmetics, Fragrances and Toiletries Industry Association (Abihpec).

## 2. social and environmental highlights

In 2007, we undertook a commitment to reduce our relative greenhouse gas emissions by 33%. Since then, we have created a management system that contemplates our entire value chain, from the extraction of raw materials to the disposal of products after use. At the end of 2013, we registered a reduction of 33.2% in relation to 2006.

Initiatives on multiple fronts have contributed to the fulfillment of this commitment. The main highlights of 2013 were the launch of SOU, which emits 60% lower GHG emissions, and the good sales performance of bar soaps in the Tododia and Ekos sub-brands, which have lower environmental impact due to their high percentage of plant-based ingredients and the use of biomass boilers in their production process.

We were also the first company in Latin America to use ethanol-powered freight trucks and the first company in Brazil to use an ethanol-powered charter bus to transport employees. We also implemented a pilot program of nine electric vehicles, including tricycles and cars, to deliver orders to consultants. This is the first time ever that a company in Brazil has used electric vehicles to transport cargo.

The social and environmental targets for 2013 and the respective results are presented below:

Indicator	2012 Results	2013 Commitment	2013 Results
Greenhouse gas (GHG) emissions	Reduction of 28.4% over 2006	Reduce relative greenhouse gas (GHG) emissions by 33% over 2006	Reduction of 33.2% over 2006
Water consumption	0.40 liter/ unit produced	Reduce to 0.39 liter/ unit produced in Brazil	0.40 liter / unit produced
Solid Waste	25.6 grams / unit produced	Maintain quantity of solid waste generated per unit produced in Brazil at 24.70 grams	21.7 grams/unit produced
Collections Crer para Ver*	R\$ 12.8 million	Achieve R\$14.0 million sales from Crer para Ver product line in Brazil	R\$ 17.1 million
Funding to Supplier Communities **	R\$ 12.1 million	Distribute R\$13.6 million in wealth to supplier communities	R\$ 11.2 million
Business volume in the Amazon region***	R\$ 121.8 million	56.0% increase in business volume in the Amazon region to R\$190 million in 2013	R\$ 201.5 million

\* Resources allocated to Natura Institute for investment in projects to support education in Brazil.

\*\* Indicator refers to compensation and purchase of raw materials.

\*\*\* Considers Natura and other partners.

Water consumption: below-target due to the higher-than-expected production at one of our production facilities with higher relative consumption.

Solid waste generation: this year's result is mainly due to the lower-than-expected generation and disposal of losses.

Collections Crer para Ver: excellent result, with growth 33% higher than last year and 21% above target, driven by the good performance of product launches and sales team campaigns.

Funding to supplier communities: Lower than expected for the period. The indicator was mainly impacted by lower purchases of raw materials in relation to the planning. Note that our planning did not take into account the inventories carried over from 2012 resulting from the lower-than-expected sales of lines using these inputs.

Business volume in the Amazon region: Higher than expected for the period, mainly due to the investments in Ecoparque.

### 3. Economic-financial performance<sup>6</sup>

Quarter (R\$ million)	Pro-Forma											
	Consolidated <sup>7</sup>			Brazil			Consolidation			Implementation		
	4Q13	4Q12	Change%	4Q13	4Q12	Change%	4Q13	4Q12	Change%	4Q13	4Q12	Change%
Total Consultants - end of period ('000) <sup>8</sup>	1,656.5	1,572.8	5.3	1,289.9	1,268.4	1.7	224.8	190.6	18.0	140.1	111.2	25.9
Total Consultants - average of period ('000)	1,642.9	1,555.8	5.6	1,283.2	1,253.8	2.3	221.5	189.8	16.7	136.5	109.7	24.4
Units sold – items for resale	170.0	140.2	21.3	144.1	125.2	15.1	16.6	9.9	68.0	7.1	4.8	48.7
<b>Gross Revenue</b>	<b>2,909.6</b>	<b>2,551.2</b>	<b>14.0</b>	<b>2,454.2</b>	<b>2,257.8</b>	<b>8.7</b>	<b>271.8</b>	<b>205.8</b>	<b>32.1</b>	<b>115.9</b>	<b>80.3</b>	<b>44.3</b>
<b>Net Revenue</b>	<b>2,165.6</b>	<b>1,875.0</b>	<b>15.5</b>	<b>1,797.7</b>	<b>1,645.0</b>	<b>9.3</b>	<b>201.4</b>	<b>154.6</b>	<b>30.3</b>	<b>99.7</b>	<b>69.2</b>	<b>44.2</b>
<b>Gross Profit</b>	<b>1,488.0</b>	<b>1,298.6</b>	<b>14.6</b>	<b>1,219.0</b>	<b>1,139.9</b>	<b>6.9</b>	<b>144.4</b>	<b>108.0</b>	<b>33.8</b>	<b>69.2</b>	<b>46.8</b>	<b>47.8</b>
Selling, Marketing and Logistics Expenses	(725.7)	(638.1)	13.7	(564.5)	(533.7)	5.8	(89.0)	(66.0)	34.9	(59.6)	(33.7)	76.8
General and Administrative Expenses	(273.7)	(208.3)	31.4	(189.2)	(169.0)	12.0	(12.7)	(9.8)	29.6	(10.4)	(7.3)	41.9
Employee profit sharing	6.3	(21.1)	n/a	3.8	(17.0)	n/a	0.9	(1.6)	(154.2)	1.0	(0.9)	(202.8)
Management compensation	(1.4)	(5.2)	(73.4)	(1.4)	(5.2)	(73.4)	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Income / (Expenses), net	(5.5)	(0.5)	993.4	(2.9)	2.7	(207.0)	(1.9)	(2.2)	n/a	0.2	(0.1)	n/a
Financial Income / (Expenses), net	(24.1)	(17.8)	n/a	(19.3)	(11.7)	n/a	(6.4)	(5.2)	n/a	(0.3)	(0.9)	n/a
Income Tax and Social Contribution	(164.6)	(137.2)	20.0	(154.7)	(129.2)	19.7	(5.6)	(7.8)	n/a	(3.5)	(0.2)	1,479.7
Noncontrolling	(5.2)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	n/a	0.0	0.0	0.0
<b>Net Income</b>	<b>294.1</b>	<b>270.5</b>	<b>8.7</b>	<b>290.8</b>	<b>276.9</b>	<b>5.0</b>	<b>29.6</b>	<b>15.4</b>	<b>92.5</b>	<b>(3.6)</b>	<b>3.6</b>	<b>(200.0)</b>
<b>EBITDA*</b>	<b>538.7</b>	<b>463.1</b>	<b>16.3</b>	<b>506.1</b>	<b>453.1</b>	<b>11.7</b>	<b>44.7</b>	<b>29.4</b>	<b>52.1</b>	<b>1.6</b>	<b>5.7</b>	<b>(71.3)</b>
Gross Margin	68.7%	69.3%	(0.5) pp	67.8%	69.3%	(1.5) pp	71.7%	69.8%	1.9 pp	69.4%	67.7%	1.7 pp
Sales Expenses/Net Revenue	33.5%	34.0%	(0.5) pp	31.4%	32.4%	(1.0) pp	44.2%	42.7%	1.5 pp	59.8%	48.8%	11.0 pp
General and Admin. Expenses/Net Revenue	12.6%	11.1%	1.5 pp	10.5%	10.3%	0.3 pp	6.3%	6.4%	(0.0) pp	10.4%	10.6%	(0.2) pp
Net Margin	13.6%	14.4%	(0.8) pp	16.2%	16.8%	(0.7) pp	14.7%	9.9%	4.7 pp	(3.6)%	5.2%	n/a
EBITDA Margin	24.9%	24.7%	0.2 pp	28.2%	27.5%	0.6 pp	22.2%	19.0%	3.2 pp	1.6%	8.2%	n/a

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

Year to date (R\$ million)	Pro-Forma											
	Consolidated <sup>7</sup>			Brazil			Consolidation			Implementation		
	2013	2012	Change%	2013	2012	Change%	2013	2012	Change%	2013	2012	Change%
Total Consultants - end of period ('000) <sup>8</sup>	1,656.5	1,572.8	5.3	1,289.9	1,268.4	1.7	224.8	190.6	18.0	140.1	111.2	25.9
Total Consultants - average of period ('000)	1,596.2	1,497.7	6.6	1,264.8	1,216.8	3.9	207.0	175.8	17.7	122.4	102.4	19.5
Units sold – items for resale	556.3	499.5	11.4	479.9	445.8	7.6	50.5	35.2	43.3	23.0	17.3	33.5
<b>Gross Revenue</b>	<b>9,451.7</b>	<b>8,566.1</b>	<b>10.3</b>	<b>8,040.3</b>	<b>7,629.4</b>	<b>5.4</b>	<b>886.8</b>	<b>649.7</b>	<b>36.5</b>	<b>363.1</b>	<b>263.5</b>	<b>37.8</b>
<b>Net Revenue</b>	<b>7,010.3</b>	<b>6,345.7</b>	<b>10.5</b>	<b>5,880.2</b>	<b>5,611.2</b>	<b>4.8</b>	<b>659.0</b>	<b>487.2</b>	<b>35.3</b>	<b>312.2</b>	<b>226.7</b>	<b>37.7</b>
<b>Gross Profit</b>	<b>4,920.5</b>	<b>4,477.6</b>	<b>9.9</b>	<b>4,103.3</b>	<b>3,971.7</b>	<b>3.3</b>	<b>472.0</b>	<b>340.2</b>	<b>38.7</b>	<b>214.7</b>	<b>153.4</b>	<b>40.0</b>
Selling, Marketing and Logistics Expenses	(2,470.7)	(2,212.2)	11.7	(1,968.1)	(1,835.3)	7.2	(293.3)	(224.2)	30.8	(177.0)	(137.5)	28.8
General and Administrative Expenses	(962.2)	(771.5)	24.7	(693.9)	(644.5)	7.7	(41.1)	(31.0)	32.5	(31.9)	(23.4)	36.6
Employee profit sharing	(61.9)	(90.8)	n/a	(50.3)	(74.4)	n/a	(3.8)	(6.5)	n/a	(2.1)	(3.7)	n/a
Management compensation	(18.6)	(20.7)	(10.5)	(18.6)	(20.7)	(10.5)	0.0	0.0	n/a	0.0	0.0	n/a
Other Operating Income / (Expenses), net	8.9	(11.6)	n/a	11.6	(5.9)	n/a	(1.5)	(4.6)	n/a	0.6	0.0	n/a
Financial Income / (Expenses), net	(158.3)	(72.3)	n/a	(148.4)	(69.8)	112.5	(11.7)	(2.2)	n/a	(1.0)	(0.3)	n/a
Income Tax and Social Contribution	(409.9)	(424.0)	(3.3)	(383.6)	(411.2)	(6.7)	(20.1)	(11.8)	n/a	(4.7)	(1.0)	377.9
Noncontrolling	(5.2)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	n/a	0.0	0.0	0.0
<b>Net Income</b>	<b>842.6</b>	<b>874.4</b>	<b>(3.6)</b>	<b>852.1</b>	<b>909.9</b>	<b>(6.4)</b>	<b>100.5</b>	<b>60.0</b>	<b>67.6</b>	<b>(1.5)</b>	<b>(12.4)</b>	<b>n/a</b>
<b>EBITDA*</b>	<b>1,609.0</b>	<b>1,511.9</b>	<b>6.4</b>	<b>1,557.1</b>	<b>1,523.7</b>	<b>2.2</b>	<b>139.0</b>	<b>78.4</b>	<b>77.4</b>	<b>8.4</b>	<b>(8.2)</b>	<b>(202.0)</b>
Gross Margin	70.2%	70.6%	(0.4) pp	69.8%	70.8%	(1.0) pp	71.6%	69.8%	1.8 pp	68.8%	67.7%	1.1 pp
Sales Expenses/Net Revenue	35.2%	34.9%	0.4 pp	33.5%	32.7%	0.8 pp	44.5%	46.0%	(1.5) pp	56.7%	60.6%	(3.9) pp
General and Admin. Expenses/Net Revenue	13.7%	12.2%	1.6 pp	11.8%	11.5%	0.3 pp	6.2%	6.4%	(0.1) pp	10.2%	10.3%	(0.1) pp
Net Margin	12.0%	13.8%	(1.8) pp	14.5%	16.2%	(1.7) pp	15.2%	12.3%	2.9 pp	(0.5)%	(5.5)%	n/a
EBITDA Margin	23.0%	23.8%	(0.9) pp	26.5%	27.2%	(0.7) pp	21.1%	16.1%	5.0 pp	2.7%	(3.6)%	n/a

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

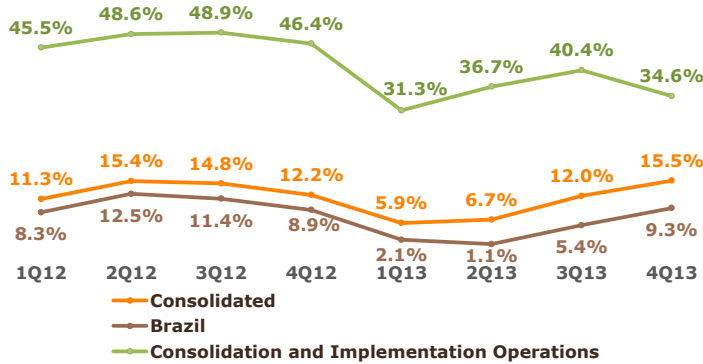
<sup>6</sup> In the pro-forma results, the profit margin obtained on exports from Brazil to the international operations was subtracted from the COGS of the respective operations in order to show the actual impact of these subsidiaries on the company's consolidated results. Accordingly, the pro-forma income statement for the Brazilian operations considers only the sales made in the domestic market. The result for 2012 was restated as described in section 6 of this document and note to the financial statements 2.29.

<sup>7</sup> Consolidated figures include the Brazil Operations, the Operations in Consolidation, the Operations in Implementation and other International Investments and consider the impact from acquisitions.

<sup>8</sup> Position at the end of Cycle 19 in Brazil and Cycle 17 in the International Operations, with Cycle 18 only in France.

### 3.1 net revenue

Net Revenue Growth (R\$ - % Year over Year)

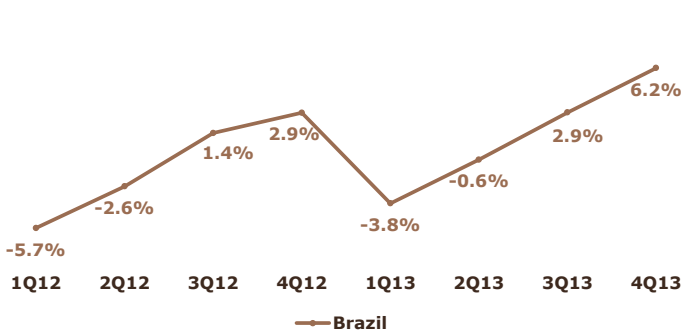


In **Brazil**, in line with our planning, 4Q13 maintained the recovery path in revenue observed already in the third quarter. During the second half of 2013, we intensified our investments in marketing, successfully launched the SOU line and enjoyed strong results from our sales strategies for commemorative dates<sup>9</sup>. In keeping with our strategy, productivity followed a positive trend over the course of the year, increasing by 6.2% in 4Q13 (R\$2,732 in 4Q13 vs R\$2,573 in 4Q12),

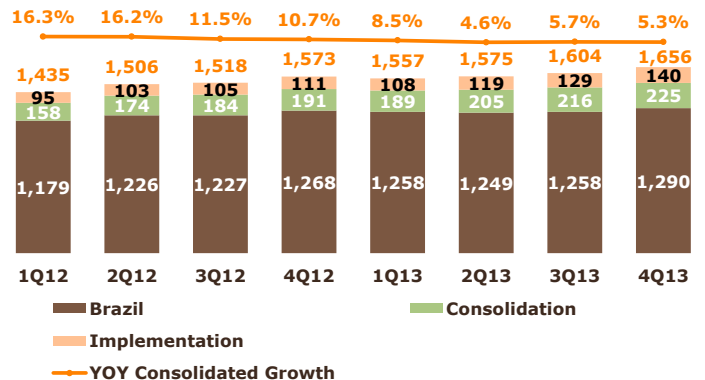
and by 1.4% in 2013 in relation to the previous year.

In 4Q13 and 2013, the average base of available consultants<sup>10</sup> in Brazil grew by 2.3% and 3.9%, respectively, compared to the year-ago periods. The slower growth in the second half of the year is explained by lower-than-expected consultant buying frequency. To increase this frequency, starting in 3Q13, we intensified our marketing and promotions to consultants and made other payment mean options available to them. For 2014, we are confident that, in addition to these initiatives implemented in 2013, new technology tools, improvements in sales team practices and channel segmentation plans will make important contributions to increasing the buying frequency of our consultants.

Productivity (% Year over Year)



Consultants - end of period



In 4Q13, the **International Operations**, excluding the impacts from acquisitions (Aesop), grew by 33.9% in local currency (33.7% in Brazilian real) to account for 14.6% of consolidated net revenue (14.4% in 2013). In 2013, these Operations grew by 30.1% in local currency (35.1% in Brazilian real). Unlike in previous quarters, revenue growth in Brazilian real was lower than in local currency, reflecting the depreciation in the basket<sup>11</sup> of Latin American currencies compared to the Brazilian real. Although all operations posted results consistent with our strategy, the highlight was Mexico, which, after adjustments to the Sustainable Relations Network in early 2013, posted a strong recovery in revenue growth over the course of the year.

<sup>9</sup> Valentine's Day, Mother's Day, Father's Day and Christmas.

<sup>10</sup> We consider as available all consultants who have placed at least one order in a period of four consecutive sales cycles.

<sup>11</sup> Countries where we have operations: Argentina, Chile, Peru, Mexico and Colombia.



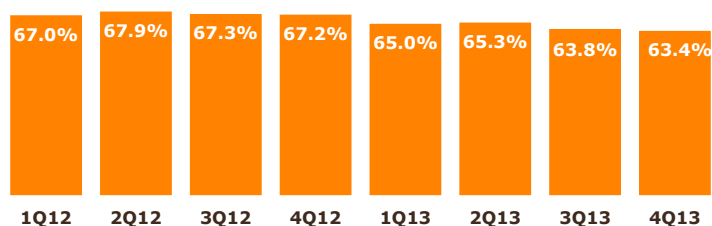
In Argentina, where we have been posting strong results in revenue, profitability and brand building, we are alert to the country's macroeconomic and institutional situation and are dedicating efforts to ensure our products remain available to our consultants and consumers.

## 3.2 innovation & products

The innovation index<sup>12</sup> stood at 63.4% in December 2013, compared to 67.2% a year earlier, which is within the desired range and in line with previous quarters.

The indicator benefitted from the SOU line that was launched in July and October 2013. The period was also marked by the re-launches of Plant, a line dedicated to hair care, and Aquarela, a make-up line inspired by the diversity of Brazilian women.

Innovation (%NV)



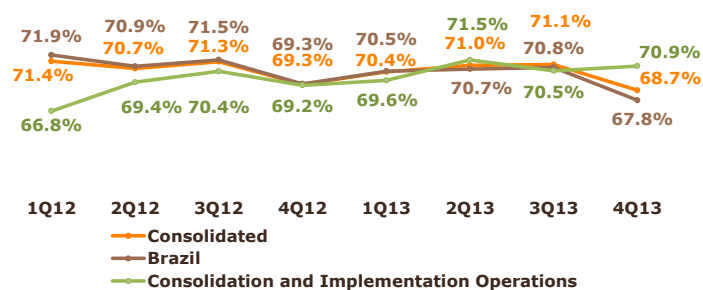
## 3.3 gross margin

In 4Q13 and 2013, consolidated gross margin contracted from prior-year periods driven by margin expansion in the International Operations and margin compression in Brazil. In the International Operations, we maintained the trend of gross margin expansion observed in prior quarters, due to the more effective promotions, the still-favorable foreign exchange scenario and the incorporation of the high gross margin of AESOP. In Brazil, as planned and already observed in 3Q13, margin compression reflected the increased promotional efforts to reactivate our consultant base and the impact from the more adverse currency exchange scenario, which was worse than expected.

The following table presents the main components of COGS:

Gross Margin (%NR)

	4Q13	4Q12	2013	2012
RM / PM / FP*	85.4	84.8	82.2	82.9
Labor	6.3	7.1	7.8	8.0
Depreciation	2.7	2.5	3.1	2.6
Other	5.6	5.6	6.9	6.4
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

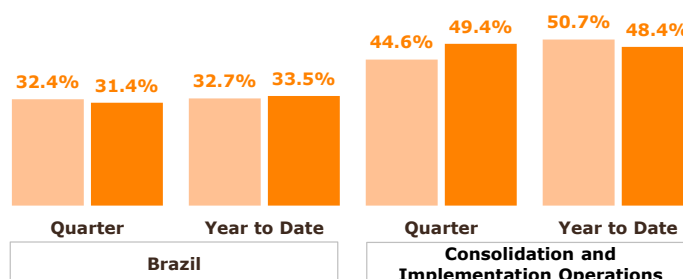


<sup>12</sup> Innovation Index: share in the last 12 months of the sale of products launched in the last 24 months.

### 3.4 operating expenses

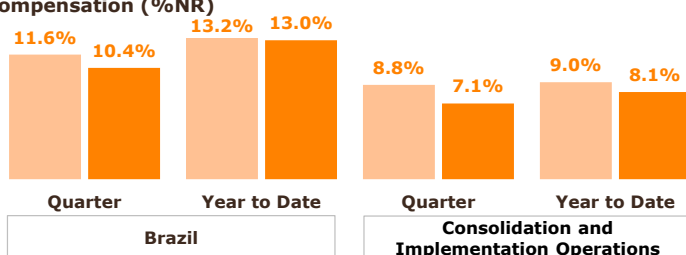
In 4Q13, **selling, marketing and logistics expenses** in Brazil as a ratio of net revenue decreased by 100 basis points, due to the excellent results in recovering receivables, while in the International Operations these expenses increased as a ratio of net revenue due to the higher investments in advertising, particularly in Mexico. In 2013, selling, marketing and logistics expenses as a ratio of net revenue increased by 80 basis points in relation to 2012 in Brazil, driven by higher marketing investments and lower dilution of logistic fixed costs. Meanwhile, in the International Operations, the reduction was due to the higher dilution of fixed expenses.

Selling Expenses (%NR)



■ 2012 ■ 2013

Administrative, R&D, IT and Projects Expenses, Employee profit sharing and Management compensation (%NR)



■ 2011 ■ 2012

Both in 4Q13 and in 2013, **administrative, R&D, IT and Project expenses** as a ratio of net revenue in Brazil decreased, since investments in strategic projects, such as those to expand the Natura Network in 2014, were funded by savings captured from efficiency projects and more robust matrix budget management, as well as the lower provisioning for profit sharing in 2013, since the results fell short of our expectations. In the International Operations, particularly the Operations under Implementation, the relative reduction in the

period was driven by the higher dilution of these expenses in 2013 compared to the prior year.

### 3.5 other operating income and expenses

In 4Q13, considering Brazil and the International Operations, this line registered an expense of R\$5.5 million, compared to the expense of R\$0.5 million in 4Q12. In 2013, we recorded other operating income of R\$8.9 million, compared to an expense of R\$11.6 million in 2012, mainly due to the divestment of a property in Itapeceirica da Serra, São Paulo.

### 3.6 other international investments

Other international investments, which are related to the operation in France, the international corporate structure based in Buenos Aires and the AESOP operation, recorded EBITDA losses of R\$13.7 million in 4Q13 (loss of R\$25.1 million in 4Q12) and of R\$95.5 million in 2013 (loss of R\$82.0 million in 2012). In 4Q13, the lower loss in the quarter was due to the period of higher operational leverage at AESOP due to Christmas sales. In the year, the higher loss is explained by inflationary pressures on the cost base of the international corporate structure based in Buenos Aires.

### 3.7 EBITDA

In 4Q13, consolidated EBITDA amounted to R\$538.7 million, growing 16.3% from the same period of 2012 (EBITDA margin of 24.9% in 4Q13, versus 24.7% in 4Q12). In Brazil, EBITDA grew by 11.7% from the year-ago quarter, driven by efficiency gains in the collections process and lower profit sharing than in 2012. The Operations in Consolidation posted EBITDA margin expansion of 320 basis points from 4Q12, mainly due to gross margin expansion driven by the higher efficiency of promotions and the better exchange rate. Meanwhile, in the Operations in Implementation, in line with our planning, EBITDA margin contracted by 660 basis points due to the higher marketing investments, especially in our Mexico operation.

In 2013, consolidated EBITDA was R\$1,609.0 million (EBITDA margin of 23.0%), increasing 6.4% from 2012 (EBITDA margin of 23.8%). In Brazil, our EBITDA margin contracted by 70 basis points, explained by the higher investments in marketing and promotions, as well as the lower dilution of logistic fixed costs and the ongoing investment for the medium term, which was partially offset by efficiency gains and the lower profit sharing level.

In the Operations in Consolidation and Implementation, EBITDA margin in 2013 increased by 500 basis points and 630 basis points, respectively, reflecting the gross margin gains, as explained for the quarterly result, and the higher dilution of selling expenses.

#### EBITDA (R\$ million)

Figures include the operating result and transaction costs associated with Aesop

	4Q13	4Q12	Change %	2013	2012	Change %
Net Revenue	2,165.6	1,875.0	15.5	7,010.3	6,345.7	10.5
(-) Cost of Sales and Expenses	1,677.6	1,449.6	15.7	5,594.3	4,975.0	12.4
<b>EBIT</b>	<b>488.0</b>	<b>425.5</b>	<b>14.7</b>	<b>1,416.0</b>	<b>1,370.7</b>	<b>3.3</b>
(+) Depreciation/Amortization	50.7	37.7	34.7	193.0	141.2	36.7
<b>EBITDA</b>	<b>538.7</b>	<b>463.1</b>	<b>16.3</b>	<b>1,609.0</b>	<b>1,511.9</b>	<b>6.4</b>

The higher expenses with depreciation and amortization (34.6% in the quarter and 36.7% in 2013) reflect the investments in infrastructure (logistics and manufacturing) and in information technology.

#### Pro-forma EBITDA by operational bloc (R\$ million)

Figures include the operating result and transaction costs associated with Aesop

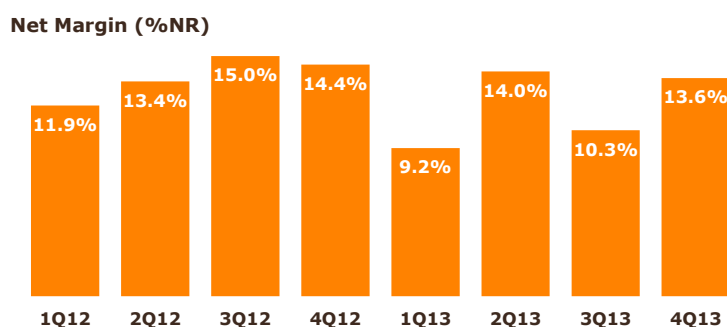
	4Q13	4Q12	Change %	2013	2012	Change %
Brazil	506.1	453.1	11.7	1,557.1	1,523.7	2.2
Argentina, Chile and Peru	44.7	29.4	52.1	139.0	78.4	77.4
Mexico and Colombia	1.6	5.7	n/a	8.4	(8.2)	n/a
Other Investments	(13.7)	(25.1)	n/a	(95.5)	(82.0)	n/a
<b>EBITDA</b>	<b>538.7</b>	<b>463.1</b>	<b>16.3</b>	<b>1,609.0</b>	<b>1,511.9</b>	<b>6.4</b>

### 3.8 net income

In 4Q13, excluding the impact from the marking to market of derivatives linked to foreign-denominated debt, consolidated net income grew by 6.4% from 4Q12, which lagged EBITDA growth in the period due to the higher depreciation and financial expenses driven by the growth in net debt.

In 2013, excluding the noncash effects from mark-to-market adjustments, net income remained stable compared to 2012, given the higher financial and depreciation expenses.

Our policy is to hedge all of our foreign-denominated debt and to hold both our debt and the associated hedge instrument to maturity. Accordingly, we contract swap<sup>13</sup> operations that offset the currency translation impacts on our debt and transform its cost into a fixed rate pegged to the overnight rate (CDI), which results in more competitive rates than those tapped in the Brazilian market. Under IFRS accounting, we mark to market only derivative instruments, and not the financial debt. This causes temporary noncash impacts every quarter that are offset upon the maturity of each transaction. These mark-to-market adjustments in the quarter amounted to positive R\$15.9 million, compared to positive R\$9.2 million in year-ago period. Note that marking to market is not the basis adopted for calculating the net income distributable via dividends, in accordance with Normative Instruction 1,397, or for income tax purposes.



(R\$ million)	4Q13	4Q12	Change	2013	2012	Change R\$
<b>Financial Income/ (Expenses), net</b>	<b>(24.1)</b>	<b>(17.8)</b>	<b>(6.3)</b>	<b>(158.3)</b>	<b>(72.3)</b>	<b>(85.9)</b>
Mark-to-Market adjustment	15.9	9.2	6.8	(18.4)	12.9	(31.2)
<b>Financial Income/ (Expenses) ex. Mark-to-Market, net</b>	<b>(40.0)</b>	<b>(27.0)</b>	<b>(13.0)</b>	<b>(139.9)</b>	<b>(85.2)</b>	<b>(54.7)</b>

Excluding the noncash effects from mark-to-market adjustments, the increase in financial expenses in 4Q13 was driven by the growth in average net debt in the period. In the year, in addition to the same impact on the quarter, the financial result was also adversely affected by the R\$8.4 million in hedge expenses with the positions contracted to hedge the commitment related to the acquisition of the 65% interest in Emeis Holding (AESOP) for AU\$69 million. The positions were contracted to offset the impact of foreign exchange variation on the agreed price between the commitment and the settlement date, in accordance with our foreign currency exposure policy.

<sup>13</sup> Financial swap operations consist of exchanging foreign exchange variation for restatement corresponding to a percentage of the variation in the interbank overnight rate (CDI).

### 3.9 cash flow<sup>14</sup>

In 2013, internal cash generation was R\$1,102.4 million, increasing 8.2% from 2012. We invested R\$170.5 million in working capital and R\$553.9 million in capex. Meanwhile, working capital needs increased in December 2013 compared to December 2012, particularly due to an atypically favorable position at year-end 2012, as well as to the offering of new payment means, which increased the average receivables term by two days.

The position in December 2012 received a positive impact of R\$80 million from the higher concentration of media spending and capital expenditure in that period, as commented in previous quarters.

In relation to the average monthly working capital requirements, in 2013 we operated at a more comfortable position compared to 2012, with improvements observed in average inventory coverage and trade payables. Capex was R\$116.4 million higher than in 2012, which also explains the 57.0% reduction in free cash flow.

R\$ million	4Q13	4Q12	Change R\$	Change %	2013	2012	Change R\$	Change %
<b>Net Income</b>	<b>294.1</b>	<b>270.5</b>	<b>23.6</b>	<b>8.7</b>	<b>842.6</b>	<b>874.4</b>	<b>(31.8)</b>	<b>(3.6)</b>
Depreciation and amortization	50.7	37.7	13.1	34.7	193.0	141.2	51.8	36.7
Non-cash / Other*	42.3	(11.0)	53.4	<i>n/a</i>	66.8	3.3	63.6	1,945.7
<b>Internal cash generation</b>	<b>387.2</b>	<b>297.1</b>	<b>90.0</b>	<b>30.3</b>	<b>1,102.4</b>	<b>1,018.8</b>	<b>83.6</b>	<b>8.2</b>
Working Capital (Increase)/Decrease	91.9	272.2	(180.3)	<i>n/a</i>	(170.5)	297.3	(467.8)	<i>n/a</i>
<b>Operating cash generation</b>	<b>479.1</b>	<b>569.3</b>	<b>(90.3)</b>	<b>(15.9)</b>	<b>931.9</b>	<b>1,316.0</b>	<b>(384.1)</b>	<b>(29.2)</b>
CAPEX	(185.7)	(235.0)	49.3	(21.0)	(553.9)	(437.5)	(116.4)	26.6
<b>Free cash flow**</b>	<b>293.4</b>	<b>334.3</b>	<b>(41.0)</b>	<b>(12.3)</b>	<b>378.0</b>	<b>878.5</b>	<b>(500.5)</b>	<b>(57.0)</b>

Favorable/ (unfavorable)

(\*) Some 2012 figures were adjusted for proper disclosure

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

This year, we invested R\$553.9 million in **property, plant and equipment and intangible assets** (R\$437.5 million in 2012), mainly to consolidate our logistics model, opening the new São Paulo distribution center, and expand our production capacity in Cajamar and Pará (Ecoparque). These investments led to the achievement of high indicators for the quality of services rendered to consultants and to shorter order delivery times, as well as to a better balance between internal and outsourced production. We also began a new cycle of investments in information technology, with the highlight the Natura Network in Brazil.

We estimate investments in capex of R\$500 million in 2014, with a higher portion invested in information technology for expanding the Natura Network and for improving and integrating transaction systems in the International Operations. The production and logistics capacity built with the investments made over the last few years will allow us to reduce investments of this nature in the following years.

<sup>14</sup> Pro-forma cash flow.

### 3.10 indebtedness

The increases in total debt and net debt reflect mainly the investments in property, plant and equipment and intangible assets and the acquisition of a 65% interest in AESOP.

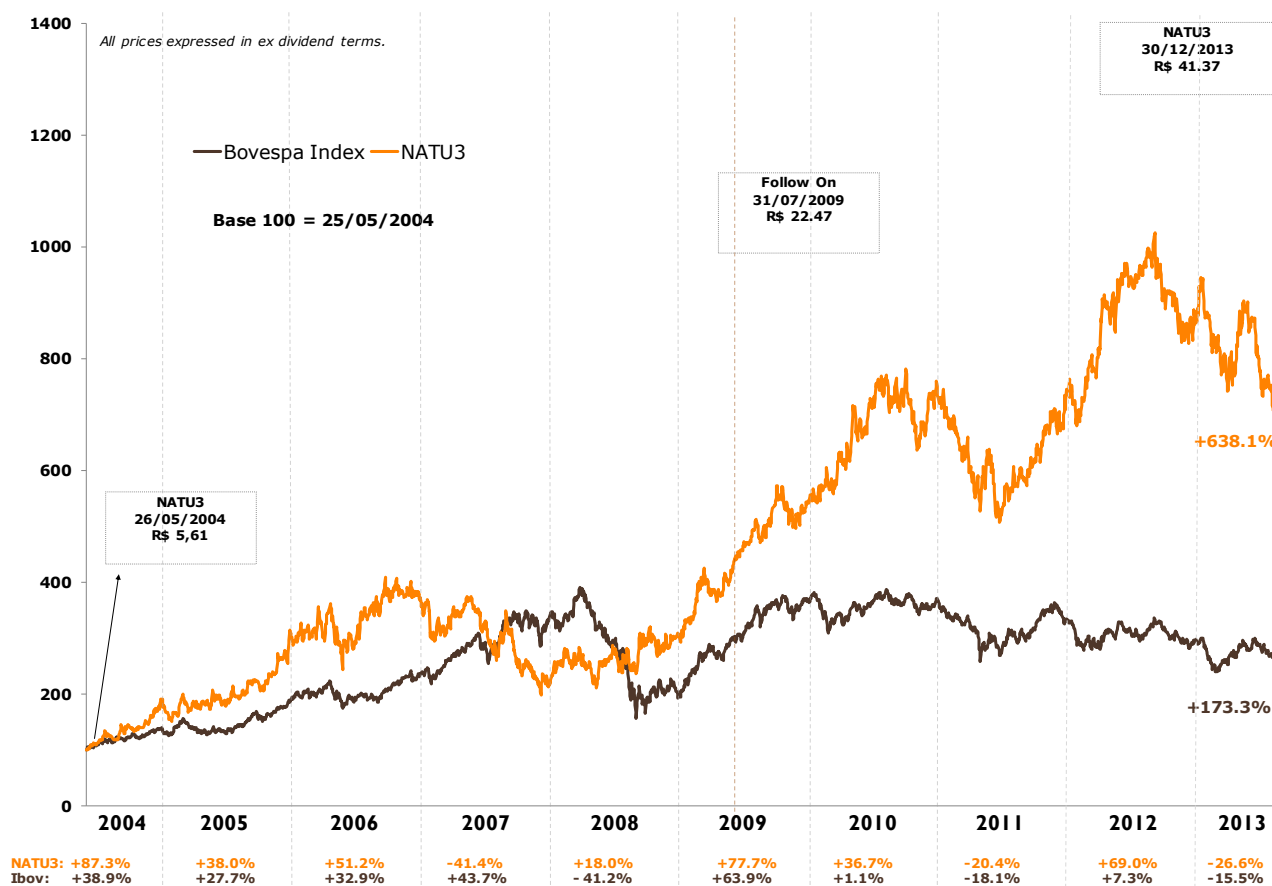
Debt (R\$ million)	Dec/13	Share (%)	Dec/12	Share (%)	Change (%)
Short-Term	693.1	27.8	999.5	45.8	(30.7)
Long-Term	2,200.8	88.4	1,309.2	60.1	68.1
Derivatives	(153.6)	(6.2)	(80.9)	(3.7)	89.8
Finance Leases	(249.6)	(10.0)	(47.8)	(2.2)	422.2
<b>Total Debt</b>	<b>2,490.6</b>	<b>100.0</b>	<b>2,179.9</b>	<b>100.0</b>	<b>14.3</b>
(-) Cash, cash equivalents and short-term investm	1,309.3		1,643.1		(20.3)
<b>(=) Net Debt - Net Cash</b>	<b>1,181.3</b>		<b>536.8</b>		<b>120.1</b>
Net Debt / Ebitda	0.73		0.36		
Total Debt / Ebitda	1.55		1.44		

## 4. stock performance

In 2013, the price of Natura stock declined by 26.6% from December 31, 2012, while the Bovespa Index fell 15.5%. Average daily trading volume in 4Q13 was R\$44.4 million, compared to R\$51.3 million in the prior-year period.

This year, our average ranking in the Bovespa Liquidity Index was 29<sup>th</sup>.

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



## 5. dividends and interest on equity

On February 12, 2014, the Board of Directors approved the proposal to be submitted to the Annual Shareholders Meeting to be held on April 11, 2014, for the payment on April 16, 2014, of the balance dividends and interest on equity relative to fiscal year 2013, in the amounts of R\$ 474.0 million and R\$ 22.4 million (R\$ 19.0 million net of withholding tax), respectively.

On August 15, 2013, interim dividends of R\$337.3 million and interest on equity of R\$23.4 million (net of withholding tax) were paid.

These dividends and interest on equity relative to fiscal year 2013 represent a net payout of R\$ 1.99 per share and correspond to 100% of net income<sup>15</sup> for 2013.

## 6. restated figures for 2012

To enable comparison of the financial statements with periods prior to the adoption of accounting changes, the figures in this document relative to 2012 were fully restated in 4Q12 in accordance with IAS 19, which changes the accounting method for actuarial gains and losses, determining their recognition under "other comprehensive income" in the Comprehensive Income Statement and Balance Sheet, net of deferred income tax and social contribution. Accordingly, the differences in EBITDA and net income from the figures previously disclosed by the company were immaterial. The following table shows the items from the Income Statement that were adjusted for the 2012 restatement:

Consolidated (R\$ million)	2012	IAS 19	2012
	Reported	Adjustment	Restated
Administrative, R&D, IT and Projects Expenses	(772.7)	1.2	(771.5)
Financial Income / (Expensive), net	(93.4)	21.1	(72.3)
Income Tax	(414.9)	(9.1)	(424.0)
<b>Net Income</b>	<b>861.2</b>	<b>13.2</b>	<b>874.4</b>
<b>EBITDA</b>	<b>1,510.7</b>	<b>1.2</b>	<b>1,511.9</b>

<sup>15</sup> Net income calculated in accordance with Brazilian Corporation Law.

## conference call & webcast

**PORTUGUESE:** Friday, February 14, 2014  
10:00 a.m. (Brasília time)

**ENGLISH:** Friday, February 14, 2014  
12:00 p.m. (Brasília time)

From Brazil: **+55 11 4688 6341**

From the USA: Toll free **+1 888 700 0802**

From other countries: **+1 786 924 6977**

Code: **Natura**

Live webcast:

**[www.natura.net/investidor](http://www.natura.net/investidor)**

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# balance sheets

on December 2013 and December 2012

(in millions of Brazilian real - R\$)

ASSETS	Dec/13	Dec/12	LIABILITIES AND SHAREHOLDERS' EQUITY	Dec/13	Dec/12
<b>CURRENT ASSETS</b>			<b>CURRENT LIABILITIES</b>		
Cash and cash equivalents	1,016.3	1,144.4	Borrowings and financing	693.1	999.5
Short-term investments	293.0	498.7	Trade and other payables	706.6	649.9
Trade receivables	807.0	651.4	Payroll, profit sharing and related taxes	177.6	211.8
Inventories	799.5	700.7	Taxes payable	659.3	501.5
Recoverable taxes	181.1	144.5	Other payables	90.2	52.0
Derivatives	153.6	80.9	<b>Total current liabilities</b>	<b>2,326.8</b>	<b>2,414.7</b>
Other receivables	262.4	157.8			
<b>Total current assets</b>	<b>3,512.9</b>	<b>3,378.3</b>			
<b>NONCURRENT ASSETS</b>			<b>NONCURRENT LIABILITIES</b>		
Long-term assets:			Borrowings and financing	2,200.8	1,309.2
Recoverable taxes	175.1	151.4	Taxes payable	215.6	177.3
Deferred income tax and social contribution	193.8	195.6	Provision for tax, civil and labor risks	73.8	63.3
Escrow deposits	412.4	349.5	Others provisions	263.0	104.8
Other noncurrent assets	37.2	41.3	<b>Total noncurrent liabilities</b>	<b>2,753.2</b>	<b>1,654.6</b>
Property, plant and equipment	1,439.7	1,012.1			
Intangible assets	477.3	228.5	<b>SHAREHOLDERS' EQUITY</b>		
<b>Total noncurrent assets</b>	<b>2,735.4</b>	<b>1,978.4</b>	Capital	427.1	427.1
			Capital reserves	150.4	155.9
			Earnings reserves	162.6	311.7
			Treasury shares	(84.0)	(66.1)
			Proposed additional dividend	496.4	491.3
			Other comprehensive losses	(6.9)	(32.5)
			<b>Total equity attributable to owners of the Company</b>	<b>1,145.6</b>	<b>1,287.4</b>
			<b>Non- controlling interests</b>	<b>22.6</b>	<b>0.0</b>
			<b>Total equity</b>	<b>1,168.3</b>	<b>1,287.4</b>
<b>TOTAL ASSETS</b>	<b>6,248.3</b>	<b>5,356.7</b>	<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>6,248.3</b>	<b>5,356.7</b>

# statements of income

for the periods ended December 31, 2013 and 2012

(R\$ million)	2013	2012
<b>NET REVENUE</b>	<b>7,010.3</b>	<b>6,345.7</b>
Cost of sales	(2,089.8)	(1,868.0)
<b>GROSS PROFIT</b>	<b>4,920.5</b>	<b>4,477.6</b>
<b>OPERATING (EXPENSES) INCOME</b>		
Selling expenses	(2,470.7)	(2,212.2)
General and administrative expenses	(962.2)	(771.5)
Employee profit sharing	(61.9)	(90.8)
Management compensation	(18.6)	(20.7)
Other operating (expenses) income, net	8.9	(11.6)
<b>INCOME FROM OPERATIONS BEFORE FINANCIAL INCOME (EXPENSES)</b>	<b>1,416.0</b>	<b>1,370.7</b>
Financial income	364.2	161.8
Financial expenses	(522.5)	(234.2)
<b>INCOME BEFORE INCOME TAX AND SOCIAL CONTRIBUTION</b>	<b>1,257.7</b>	<b>1,298.4</b>
Income tax and social contribution	(409.9)	(424.0)
<b>INCOME BEFORE NON-CONTROLLING INTEREST</b>	<b>847.8</b>	<b>874.4</b>
Noncontrolling	(5.2)	0.0
<b>NET INCOME</b>	<b>842.6</b>	<b>874.4</b>
<b>ATTRIBUTABLE TO</b>		
Owners of the Company	842.6	874.4
Noncontrolling	5.2	0.0
	<b>847.8</b>	<b>874.4</b>

# statements of cash flow

for the periods ended December 31, 2013 and 2012

(R\$ million)	2013	2012
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net income</b>	<b>847.8</b>	<b>874.4</b>
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	193.0	141.2
Provision for losses on swap and forward transactions	(100.5)	(52.3)
Provision (reversal) for tax, civil and labor contingencies	18.0	4.6
Interest and inflation adjustment of escrow deposits	(21.3)	(21.0)
Income tax and social contribution	409.9	424.0
(Gain) loss on sale on property, plant and equipment and intangible assets	(2.6)	15.7
Interest and exchange rate changes on borrowings and financing and other liabilities	311.6	163.2
Exchange rate changes on other assets and other liabilities	3.3	9.1
Expenses with stock options plans	12.5	10.8
Provision for discount on assignment of ICMS credits	(3.3)	0.8
Allowance for doubtful accounts	27.0	7.9
Allowance for inventory losses	27.6	(23.8)
Net income attributable to non-controlling shareholders	(5.2)	0.0
Provision for healthcare plan and carbon credits	29.9	21.9
Recognition of untimely used tax credits	(6.8)	(11.6)
Recognition of tax credits from legal claims	0.0	(1.7)
	<b>1,740.9</b>	<b>1,563.1</b>
<b>(INCREASE) DECREASE IN ASSETS</b>		
Trade receivables	(182.6)	(17.5)
Inventories	(126.4)	11.9
Recoverable taxes	(50.3)	29.5
Other receivables	(100.4)	(48.6)
<b>Subtotal</b>	<b>(459.7)</b>	<b>(24.6)</b>
<b>INCREASE (DECREASE) IN LIABILITIES</b>		
Domestic and foreign suppliers	54.9	162.1
Payroll, profit sharing and related taxes, net	(34.2)	79.8
Taxes payable	28.0	(2.7)
Other payables	7.2	14.1
Provision for tax, civil and labor contingencies	(7.5)	(6.3)
<b>Subtotal</b>	<b>48.4</b>	<b>247.0</b>
<b>CASH GENERATED BY OPERATING ACTIVITIES</b>	<b>1,329.6</b>	<b>1,785.5</b>

**OTHER CASH FLOWS FROM OPERATING ACTIVITIES**

Payments of income tax and social contribution	(240.0)	(320.8)
Withdrawal (payment) of escrow deposits	(41.6)	(32.6)
Payments of derivatives	27.8	(18.5)
Payment of interest on borrowings and financing	(96.9)	(104.3)
<b>NET CASH GENERATED BY OPERATING ACTIVITIES</b>	<b>979.0</b>	<b>1,309.4</b>

**CASH FLOW FROM INVESTING ACTIVITIES**

Acquisition of property, plant and equipment and intangible assets	(553.9)	(437.5)
Proceeds from sale of property, plant and equipment and intangible assets	21.2	3.1
Short-term investments	(4,698.8)	(4,213.7)
Redemption of short-term investments	4,904.5	3,715.1
Capital increase in subsidiaries	0.0	0.0
Noncontrolling interest	(129.0)	0.0
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(456.0)</b>	<b>(933.0)</b>

**CASH FLOW FROM INVESTING ACTIVITIES**

Repayments of borrowings and financing - principal	(1,029.4)	(629.7)
Proceeds from borrowings and financing	1,257.6	1,708.6
Sale of treasury shares due to exercise of stock options	35.5	30.8
Payment of dividends and interest on capital of the prior year	(491.3)	(491.0)
Anticipation of dividends and interest on capital of the year/period	(364.8)	(363.5)
Repurchase of treasury shares	(60.2)	0.0

**NET CASH GENERATED (USED) IN FINANCING ACTIVITIES**

Gains (losses) arising on translating foreign currency cash and cash equivalents	1.6	(2.9)
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**INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS**

Cash and cash equivalents at the beginning of the year/period	1,144.4	515.6
Cash and cash equivalents at the end of the year/period	1,016.3	1,144.4

**DECREASE IN CASH AND CASH EQUIVALENTS**

	<b>(128.1)</b>	<b>628.8</b>
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**Additional Statements of Cash Flows Information:**

Restricted cash	0.0	7.1
Bank overdrafts - unused	117.9	343.6

## Non-cash items

Reserve for acquisition of non-controlling shareholders	141.6	0.0
Capitalization of financial leasing	185.9	0.0

## Glossary

**\_CDI:** the overnight rate for interbank deposits.

**\_Natura Consultants (CN):** self-employed resellers who do not have a formal labor relationship with Natura.

**\_Natura Super Consultants (CNO):** self-employed resellers who do not have a formal labor relationship with Natura and support the Relationship Managers in their activities, also called Super Consultants.

**\_Supplier Communities:** the communities of people involved in small-scale farming and extraction activities in a variety of locations in Brazil, especially in the Amazon Region, who extract the inputs used in our products from the social and biodiversity. We form production chains with these communities that are based on fair prices, the sharing of benefits gained from access to the genetic heritage and associated traditional knowledge and support for local sustainable development projects. This business model has proven effective in generating social, economic and environmental value for Natura and for the communities.

**\_GHG:** Greenhouse gases.

**\_Innovation Index:** Share in the last 12 months of the sale of products launched in the last 24 months.

**\_Natura Institute:** is a non-profit organization created in 2010 to strengthen and expand our Private Social Investment initiatives. The institute has enabled us to leverage our efforts and investments in actions that contribute to the quality of public education.

**\_Target Market:** refers to the market share data published by SIPATESP/Abihpec. Considers only the segments in which Natura operates. Excludes diapers, oral hygiene products, hair dyes, nail polish, feminine hygiene products as well as other products.

**\_Operations in Consolidation:** Grouping of operations: Argentina, Chile and Peru

**\_Operations in Implementation:** Grouping of operations: Colombia and Mexico

**\_Profit Sharing:** the share of profit allocated to employees under the profit-sharing program.

**\_Natura Believing is Seeing Program:** special line of non-cosmetic products whose profits are transferred to the Natura Institute, in Brazil, and invested by Natura in social initiatives in the other countries where we operate. Our consultants promote these sales to benefit society and do not obtain any gains.

**\_Sustainable Relations Network:** sales model adopted in Mexico that features eight stages in a consultant's development: Natura Consultant, Entrepreneurial Natura Consultant, Natura Developer 1 and 2, Natura Transformer 1 and 2, Natura Inspirer and Natura Associate. To rise up through the various stages, consultants must fulfill certain criteria based on sales volume, attracting new consultants and (unlike the models adopted in other countries) personal development and social and environmental relationships in the community.

**\_Benefit Sharing:** in accordance with Natura's Policy for the Sustainable Use of Biodiversity and Associated Traditional Knowledge, benefits are shared whenever we perceive various forms of value in the access gained. Therefore, one of the practices that define the way in which these resources are divided is to associate payments with the number of raw materials produced from each plant as well as the commercial success of the products in which these raw materials are used.

**\_Sipatesp/Abihpec:** São Paulo State Perfumery and Toiletries Association / Brazilian Cosmetics, Fragrances and Toiletries Industry Association (Abihpec).

## restated figures

**\_Non-cash items:** restated figures for 4Q12, 2012 and 9M13 for comparison purposes.

**\_Cost Breakdown:** Restated figures for 4Q12 and 2012 in the chart between the lines Labor and Other.

**\_Working Capital 4Q12 and 2012:** Some of the balances in 2012 were reclassified to improve presentation and comparison with the accounting criteria adopted in 2013, which impacted working capital variation in the period. Please see note 4.3 of the financial statements.

**\_2012 Statement of Income:** To enable comparison of the financial statements with periods prior to the adoption of accounting changes, the figures in this document relative to 2012 were fully restated in 4Q12 in accordance with IAS 19, which changes the accounting method for actuarial gains and losses, determining their recognition under "other comprehensive income" in the Comprehensive Income Statement and Balance Sheet, net of deferred income tax and social contribution. Accordingly, the differences in EBITDA and net income from the figures previously disclosed by the company were immaterial.

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 updated up to the present date and Natura does not undertake to update it in the event of new information and/or future events.

