

NATURA COSMÉTICOS S.A.

CNPJ/MF 71.673.990/0001-77

Publicly held company

NIRE 35.300.143.183

MATERIAL FACT

Natura Cosméticos S.A. ("Company"), pursuant to the provisions of the Brazilian Securities Exchange Commission (*Comissão de Valores Mobiliários* - CVM) Rule No. 358, of January 3, 2002, hereby informs its shareholders and the market in general that it was approved by its Board of Directors, in a meeting held on January 18, 2018, the issuance of debt instruments ("Notes") in the international capital market, whose final terms and conditions shall be established according to market conditions, in the total amount of up to one billion, one hundred fifty million United States dollars (US\$1,150,000,000.00).

The Notes have not and will not be registered under the U.S. Securities Act of 1933, as amended ("Securities Act"), and shall not be offered or sold within the United States or to U.S. persons in the absence of registration or of an exemption from applicable registration, except to qualified institutional buyers in reliance on the exemption from registration provided by Rule 144A under the Securities Act. The Notes shall be offered to certain non-U.S. persons not located in the United States of America or in Brazil, in reliance on Regulation S under the Securities Act. The Notes have not and will not be registered with the Securities and Exchange Commission of Brazil (*Comissão de Valores Mobiliários*).

The net proceeds from the offering of the Notes shall be used to repay a portion of the Company's debt arising from the third (3º) issuance of seventy four (74) promissory notes, in the total amount of three billion, seven hundred million Brazilian Reais (BRL 3,700,000,000.00), which we have issued to finance our acquisition of The Body Shop International Limited.

This material fact is for information purposes only and does not constitute any offer or a request of an offer to acquire the Notes. The Notes shall not be sold or offered in any State or jurisdiction in which this offering is prohibited, in accordance with the laws and regulations of that State or jurisdiction.

São Paulo, January 18, 2018

NATURA COSMÉTICOS S.A.

JOSÉ ROBERTO LETTIERE

Chief Financial and Investor Relations Officer