

NATURA COSMÉTICOS S.A.

**CORPORATE TAXPAYER'S ID (CNPJ/MF) #71.673.990/0001-77
COMPANY'S REGISTER (NIRE) #35.3.00143183**

**MINUTES OF THE ANNUAL AND EXTRAORDINARY GENERAL MEETING
HELD ON APRIL 14, 2004**

I - Date, Time and Venue: On April 14, 2004, at 10:00 am at the Company's headquarters, located at Rodovia Régis Bittencourt, km 293, Edifício I, in the city of Itapeverica da Serra, State of São Paulo, CEP 06850-000.

II – Call: The call notice is exempted from publication, under the terms of paragraph 4, of the Article 124 of Law #6404/76, in view of the attendance of the totality of the shareholders.

III – Quorum: The totality of shareholders was present at the meeting, as it was verified by the signatures recorded on the company's book.

IV – Presiding Board: Mr. Pedro Luiz Barreiros Passos assumed the chair of works, and invited me, José David Vilela Uba, to be the secretary. The Board being composed, the Chairman declared the General Meeting instated.

V – Format of the Minutes: The drawing up of the Minutes as a summary was resolved by unanimous vote, under the terms of the Article 130, paragraph 1, of Law #6404/76.

VI – Agenda: (1) Annual General Meeting: (i) Reading, discussion and voting of the Board of Executive Officers' Report, Balance Sheet and other Financial Statements related to the year ended at December 31, 2003; and, **(ii)** Resolution on the allocation of the net income for the year and distribution of dividends **2. Extraordinary General Meeting: (i)** The approval of the experts responsible for the evaluation of credits transferred to the capital stock of the extinguished corporation Natura Empreendimentos S.A., the Company's former controlling company, as per the Extraordinary General Meeting of the former held on December 30, 2002; and **(ii)** The approval of the respective Credit Valuation Report, prepared by the experts responsible, appointed.

VI.1 – Annual General Meeting - Resolutions: By unanimous vote and with abstention of the managing shareholders, without any restrictions, reservations or opposition on the part of shareholders, the following decisions were taken: **(i)** to approve the Board of Executive Officers' Report, Balance Sheet, Income Statements and other Financial Statements related to the year ended at December 31, 2003, duly published by the São Paulo State Official Gazette on 03/27/04, page 27, in the business section and also by the "Diário de Notícias de São Paulo" newspaper, on 03/27/04, page 09, 2nd section. In addition, by unanimous vote, the aforesaid publication was deemed as regular, under the terms of Article 133, paragraph 4, of Law #6404/76; **(ii)** To approve the allocation of Net Income for the year ended at December 31, 2003, in the amount of sixty-five million, one hundred, sixty-one thousand, five hundred, thirty-three reais and fifty-nine centavos (R\$ 65,161,533.59), whereas: a) the amount of three million, two hundred, fifty-eight thousand, seventy-six reais and sixty-eight centavos (R\$ 3,258,076.68), corresponds to five per cent (5%) of the income for the year, destined to the creation of a Legal Reserve, under the terms of Article 193 of Law #6404/76; b) thirty-one million, eight hundred, fifty-four thousand, seven hundred, twenty-six reais and ninety-seven centavos (R\$ 31,854,726.97), is destined to a Reserve for Profit Retention, under the terms of the by-laws provision and corporate legislation; and, c) twenty million of reais (R\$ 20,000,000.00) was allocated as dividends and ten million, forty-eight thousand, seven hundred, twenty-nine reais and ninety-four centavos (R\$ 10,048,729.94) was allocated as interest on own capital, as guided by the Law #9249/95, which the General Meeting resolved to ratify it without reservations.

By concluding the analysis of the ordinary agenda, the Chairman recorded that the amount destined to the Reserve for Profit Retention (R\$ 31,854,726.97) was fully utilized to absorb the cancellation of shares held by the extinguished corporations Natura Empreendimentos S.A. and Natura Participações S.A. in the process of merger of said companies, as resolved by the totality of this Company's shareholders in a Meeting held on March 05, 2004, when the respective Protocols and Justifications were approved. Having nothing more to add, other shareholders and administrators attending the meeting ratified this decision in all its terms and effects.

Then, the Chairman proceeded with works, by initiating the Extraordinary General Meeting.

VI.2 – Extraordinary General Meeting – Preliminary Clarifications: Before starting the works, the Chairman clarified to all the shareholders attending the meeting that, in view of the merger of Natura Empreendimentos S.A. ("Mergee") by the Company, the administrators were inquired about the

convenience of having prepared a valuation report of credits granted in the Mergee's capital increase by its former controlling shareholder, Natura Participações S.A, as per the Extraordinary General Meeting of Mergee held on December 30, 2002. Notwithstanding the management's understanding about the valuation report being dispensable due to the nature of credits, purpose of the referred capital transfer, it decided to call this present Extraordinary General Meeting with a view to approving the valuation report, confirming the accuracy of credit amount granted in the Mergee's capital increase, on the occasion of said Extraordinary General Meeting, held on December 30, 2002. **Resolutions:** By unanimous votes, without any restrictions, reservations or opposition on the part of shareholders, the following decisions were taken: **(i)** To approve Mr. **Edison Castilho**, a Brazilian citizen, married, accountant, registered with the São Paulo Regional Accounting Council under CRC 1 SP 059.500/0-0, with the Identity Card (RG) No. 3.870.600 SSP/SP, Individual Taxpayer's Register (CPF/MF) under No. 003.941.228-87, resident and domiciled in the City of São Paulo, State of São Paulo, at Rua Batatais, 263, apto. 101, Jardim Paulista, CEP 01423-010; Mrs. **Cristina Conceição Naboia Silveira**, a Brazilian citizen, married, accountant registered with the São Paulo Regional Accounting Council under CRC No. 1 SP 189.781/0-3, with the Identity Card (RG) No. 16.734.947 SSP/SP, Individual Taxpayer's Register (CPF/MF) under No. 103.934.118-77, resident and domiciled in the City of São Paulo, State of São Paulo, at Rua Cônego Ladeira, 375, apto. 42, Tucuruvi, CEP 02309-080; and Ms. **Aquilina Tamie Ueoka**, a Brazilian citizen, single, accountant registered with the São Paulo Regional Accounting Council under No. CRC 1 SP 168.915/0-7, with the Identity Card (RG) No 17.593.809 SSP/SP, Individual Taxpayer's Register (CPF/MF) under No. 130.741.298-08, resident and domiciled in the City of São Paulo, at Rua Padre Antônio Link, 113, apto. 82 C, Ferreira, CEP 05524-160 as experts responsible for the valuation of credits held on December 30, 2002 by the extinguished corporation Natura Participações S.A. against Natura Cosméticos S.A., utilized by the former for conveyance in the Mergee's capital stock increase, as per resolution taken in an Extraordinary General Meeting of the latter, held on December 30, 2002, duly filed with the Board of Trade of the State of São Paulo. The experts appointed above, who were previously consulted by the Company's management, anticipated their studies and the preparation of the Valuation Report, declaring there is no conflict or community of interests, whether current or potential that would prevent them from performing the works; **(ii)** To approve the Valuation Report submitted by the experts mentioned above in relation to the credits held on December 30, 2002, by the extinguished corporation Natura Participações S.A. against Natura Cosméticos S.A., credits of which resulting from the remuneration of debentures issued by Natura Cosméticos S.A., as per Nominative Debenture Deed, non-Endorsable and non-convertible into Stocks, dated May 03, 1988, and registered with the 11th Real Estate Registry Office in the judicial district of the city of São Paulo, Book #03, record 1, under #11225, were used for conveyance in the Mergee's capital increase, the result of which only confirmed the accuracy of the total amount of the referred credits at forty-seven million, nine hundred thousand reais (R\$ 47,900,000.00), equivalent to the exact amount of the Mergee's capital increase, resolved in the Extraordinary General Meeting held on December 30,

2002. The valuation experts have clarified that the referred credits, at the time of their established capitalization and accurate determination between lender and borrower, were fully realized on a financial basis in favor of the Mergee due to borrower's payment. Having nothing further to point out and as nothing else was questioned, the Valuation Report was fully approved, and now it is an integral and indissoluble part of these minutes as Attachment I.

VII – Closure of the meeting: Having nothing more to discuss, the Chairman concluded the works, firstly adjourning the session to draw up these present Minutes, which after being read, discussed and deemed in compliance, these were approved and signed by all the shareholders attending the meeting, by the Secretary and by the Chairman. **Signatures: Pedro Luiz Barreiros Passos – Chairman; José David Vilela Uba – Secretary ...**

Itapecerica da Serra, April 14, 2004.

This present instrument is a faithful copy of the Minutes drawn up in the company's books.

Pedro Luiz Barreiros Passos
Chairman of the Board

José David Vilela Uba
Secretary