

NATURA COSMÉTICOS S.A.

Corporate Taxpayer's ID (CNPJ) 71.673.990/0001-77
Company's Register (NIRE) 35300143183

Publicly-Held Company

Subscribed and Paid-up Capital: R\$ 230,761,985.57 – 85,438,611 common shares
Authorized Capital: up to 4,995,964 common shares

BOARD OF DIRECTORS' MEETING AS OF FEBRUARY 23, 2005

On February 23, 2005, at 6:00 pm, at the Company's headquarters, located in the municipality of Itapeverica da Serra, State of São Paulo, at Rodovia Régis Bittencourt, s/nº, Km 293, Edifício I, the Board of Directors of **NATURA COSMÉTICOS S.A.** met, with full attendance and under the chair of the Board Member Guilherme Peirão Leal, with the purpose of analyzing the proposal of allocation of net income for the fiscal year of 2004 to be submitted to the resolution of the Shareholder's General Meeting, as follows:

"BOARD OF DIRECTORS' PROPOSAL

Dear Shareholders,

The Board of Directors of **NATURA COSMÉTICOS S.A.** understands to be convenient to submit to the analysis and resolution of the Annual General Meeting the proposal of allocation of net income for the fiscal year ended 12.31.2004, that, observing the present Brazilian corporate law and the statutory provisions, shall be carried out as follows:

	R\$
NET INCOME FOR THE YEAR.....	300,410,693.25
Allocations:	
Legal Reserve.....	15,020,534.66
Retained Earnings Reserve.....	69,038,059.77
Dividends.....	186,909,807.14
Interest On Own Capital (gross: without IRRF*).....	29,442,291.68

*withholding income tax

- Pursuant to the provision in the Article 193 of the Law 6,404/76, the funds equivalent to five percent (5%) of net income were allocated to the Legal Reserve, which is within the limits set forth by the legislation;

- In view of the Company's growth and the projections made for the businesses in the current year, the Company shall make a heavy investment in the increase of its productive capacity and in various process improvement projects. Thus, we understand to be convenient the composition of the Retained

Earnings Reserve at the amount of seventy six million, twenty three thousand, eight hundred seventy eight reais and thirty nine centavos (R\$ 76,023,878.39), with a portion resulting from net income for the year 2004 (R\$ 69,038,059.77) and the other portion resulting from the income arising from the reversal of the allowance received by means of the net assets of Natura Participações S.A., incorporated by this company (R\$ 6,985,818.62).

- We also inform that the allocation proposed herein is perfectly reflected in the financial statements elaborated by the Company's Management, which shall be widely published under the terms of the present legislation.

This is the proposal we submitted to the resolution of the Shareholders. Itapecerica da Serra-SP, February 23, 2005. (Signatures) Antonio Luiz da Cunha Seabra, Guilherme Peirão Leal, Edson Vaz Musa, Pedro Luiz Barreiros Passos and José Guimarães Monforte."

After analyzing the issue, the shareholders approved, by unanimous vote, to send this proposal to the submission of the Shareholders' General Meeting.

Nothing more to be deal with, the Chairman closed the meeting, ordering to draw up these minutes which, after being read and approved, were signed by the attending members. Itapecerica da Serra - SP, February 23, 2005. (Signatures) Guilherme Peirão Leal – Chairman of the Meeting and Co-Chairman of the Board; Antonio Luiz da Cunha Seabra – Co-Chairman; Pedro Luiz Barreiros Passos, Edson Vaz Musa and José Guimarães Monforte – Board Members.

This is a free English translation of the original instrument drawn up in the company's records.

Itapecerica da Serra-SP, February 23, 2005.

JOSÉ DAVID VILELA UBA

Chief Financial Officer and Investor Relations Officer