



NATURA COSMÉTICOS S.A.

Corporate Taxpayer's ID (CNPJ/MF) 71.673.990/0001-77

Company's Register (NIRE) 35.300.143.183

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

MATERIAL FACT

We inform the Shareholders and the general market that, in compliance with the provisions in the Normative Instruction 358, issued on January 3, 2002, and pursuant to the provision in the Normative Instruction 384, as of March 17, 2003, both issued by the Brazilian Securities and Exchange Commission (CVM), Natura Cosméticos S.A. entered, on January 12, 2006, into a Service Agreement for a Market Maker with Pactual Corretora de Títulos e Valores Mobiliários S.A., a joint stock company with headquarters in the City of São Paulo, State of São Paulo, at Avenida Brigadeiro Faria Lima, 3729, 6º andar, parte, Itaim Bibi, Corporate Taxpayer's ID (CNPJ/MF) 43.815.158/0001-22, to serve as the market maker of the non-par registered common shares issued by the company ("NATU3"), listed on the *Novo Mercado* (New Market) of the São Paulo Stock Exchange (BOVESPA), over a period of 6 (six) months, which may be extended for equal period according to the parties, by means of addendum to the agreement, with the purpose of promoting the liquidity of the referred shares. Natura Cosméticos S.A. also informs that it holds 22,368,710 (twenty two million, three hundred, sixty eight thousand, seven hundred and ten) outstanding non-par registered common shares, under the terms of the Normative Instruction 10, issued by the Brazilian Securities and Exchange Commission (CVM) on February 14, 1980, and that it has not entered into any agreement controlling the exercise of the voting right or the purchase or sale of marketable securities issued by the company with the market maker contracted herein.

NATURA COSMÉTICOS S.A.

JOSÉ DAVID VILELA UBA

Chief Financial Officer and Investor Relations Officer