

## Corporate Profile

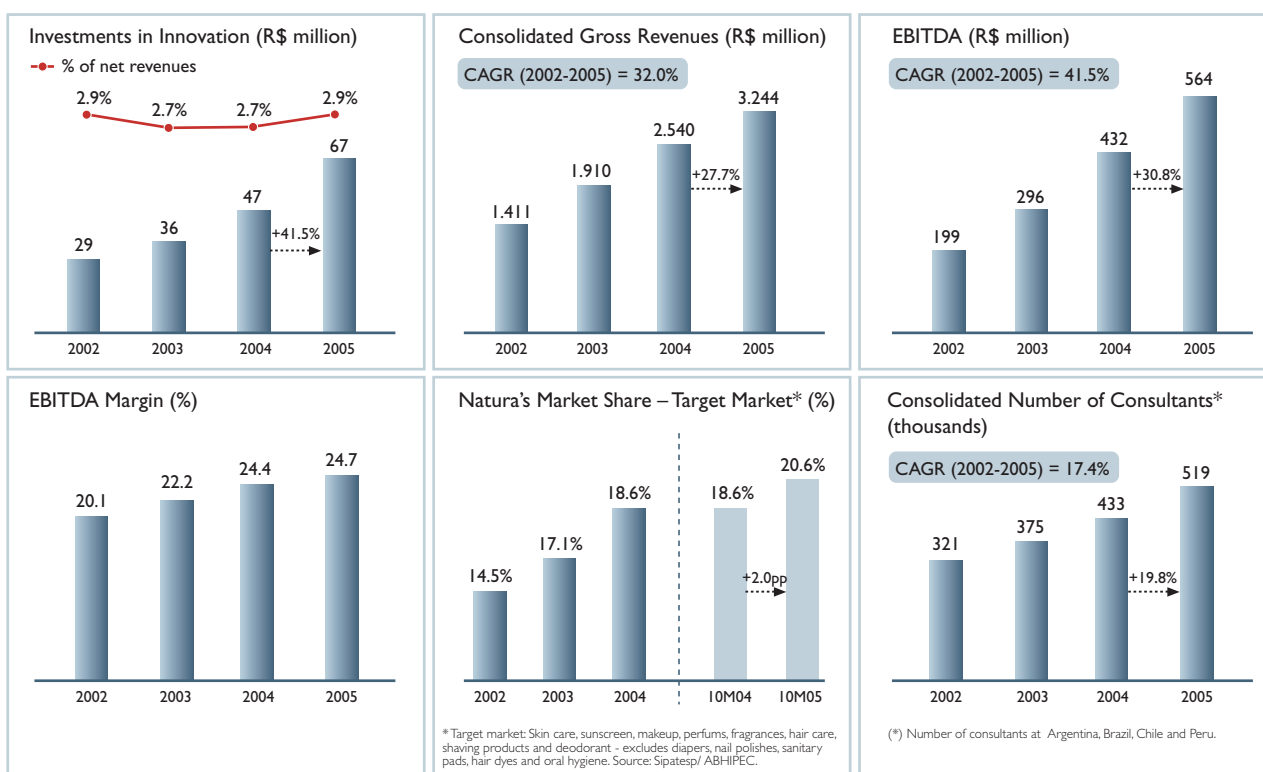
- One of the leading companies in the Brazilian cosmetic, fragrance and toiletry industry.
- Founded in 1969 as a laboratory and a single store in São Paulo.
- In 1974, it decided to concentrate on direct sales, setting up the Natura Consultants network.
- In the 80s, the company launched a major drive to expand its product lines and its presence in the Brazilian market growing by over 30 times in the period.
- In 1994, Natura began to look abroad, strengthening its position in Argentina, Chile and Peru.
- In 2000, the Ekos line was launched, based on the sustainable use of Brazilian biodiversity.
- In May 2004, IPO on the São Paulo Stock Exchange's (BOVESPA) Novo Mercado (NATU3).
- In April 2005, inauguration of Natura's store in Paris.
- In August 2005, start-up of activities in Mexico.



## Financial Summary – Consolidated (R\$ million)

|  | 2005    | 2004    | Var % |
|--|---------|---------|-------|
| Units sold – items for resale<br>(in million) - Brazil <sup>1</sup>            | 216.0   | 173.4   | 24.5% |
| Gross Revenues   | 3,243.6 | 2,539.7 | 27.7% |
| Net Revenues   | 2,282.2 | 1,769.7 | 29.0% |
| Gross Profit   | 1,551.0 | 1,194.4 | 29.9% |
| Gross margin (%)   | 68.0%   | 67.5%   | -     |
| Ebitda <sup>2</sup>  | 564.4   | 431.7   | 30.8% |
| Ebitda margin (%)  | 24.7%   | 24.4%   | -     |
| Net Income   | 396.9   | 300.3   | 32.2% |
| Net margin (%)   | 17.4%   | 17.0%   | -     |
| EPS (R\$)  | 4.67    | 3.54    | 31.8% |
| Dividends + Interest on Capital <sup>3</sup> per share (R\$)                   | 3.70    | 2.50    | 48.0% |
| Total consultants in Brazil <sup>4</sup><br>(in thousands)                     | 482.8   | 406.7   | 18.7% |
| Total consultants <sup>4</sup> in Latin America <sup>5</sup><br>(in thousands) | 36.2    | 26.3    | 37.7% |

(1) Total consolidated number of Cosmetics, Fragrances and Toiletries products resold by consultants. Therefore, units sold exclude samples, gifts, resale support material, Crer para Ver products, among others. (2) EBITDA = income from operations before financial effects + non-operating income + depreciation and amortization. (3) Consider the dividends and interest on capital per share (net of income tax retained at source) relative to the results for the 2005 financial year; subject to referral to the Annual General Meeting to be held on March 29, 2006. (4) Position at the end of the period of the 17<sup>th</sup> sales cycle. (5) Argentina, Chile and Peru.



## Main Family Products

- Natura Ekos (Brazilian biodiversity assets)
- Mamãe&Bebê (products for mothers and babies)
- Make-up items
- Chronos (anti wrinkle products)
- Perfums and Fragrances



## Why Natura?

### Growth Opportunities

- CF&T target market CAGR was of 16.6% from 2000 to 2004. In 2005, for the ten-month period, the sector had a 16.5% nominal term growth.
- Natura's market share of this target market grew by 2.0 percentage points, from 18.6% in the first ten months of 2004 to 20.6% in the same period of 2005.
- Excellent expansion prospects in Latin America.

### Direct Sales

- Greater distribution reach.
- Low product launch costs.
- Natura Consultants' productivity level above market average
- Consolidated sales channel of 519 thousand consultants (483,000 in Brazil and 36,000 in international operations)
- Covering more than 5,000 cities in Brazil.
- Direct sales growth higher than that of convention channels.

### Sound Finances

- Strong and consistent free cash flow.
- Low capex needs.
- High potential dividend payments: net yield of R\$3.70 per share, which represents 95.2% of free cash generation<sup>1</sup> and 80.5% of the net income for 2005.
- EBITDA margin of 24.7% in 2005.

Note 1: (Net cash provided by operating activities) – (net cash used in investing activities).

### Innovation

- New products account for a high proportion of revenues, posting a 69.8% of total innovation index in 2005, with the launching of 213 new products.
- Constant renewal of product portfolio with more than 600 items.
- Increasing sustainable use of Brazilian Biodiversity.
- Brazil's biggest cosmetics R&D center, employing over 100 scientists.
- State-of-the-art equipment and installations.

### Corporate Governance

Natura maintains a constant commitment to the highest standards of corporate governance, emphasized by the company's listing on the Bovespa's Novo Mercado in May, 2004:

- Tag-along rights for all shareholders.
- Only common shares with voting rights (Bovespa: NATU3).

### Social Corporate Responsibility

Natura's business model is based on the three dimensions of results: economic development coupled with social and environmental needs.

This Fact Sheet contains forward-looking information, which involves risks and uncertainties. For further details, please refer to information recently filed at CVM (Brazilian SEC) or access the company's website at [www.natura.net/investor](http://www.natura.net/investor).

## Investor Relations

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