



## 2Q05 Earnings Results

July 29, 2005

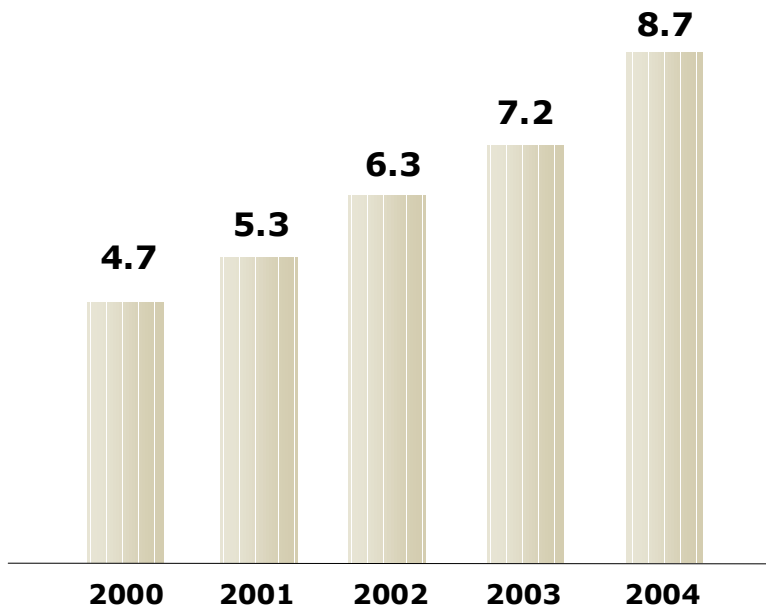


# historical figures: CF&T target market and Natura's market share

## Target market<sup>1</sup> - Net revenues

R\$ billion, nominal

**CAGR (00-04) nominal 16.6%**  
**CAGR (00-04) real<sup>2</sup> 6.8%**

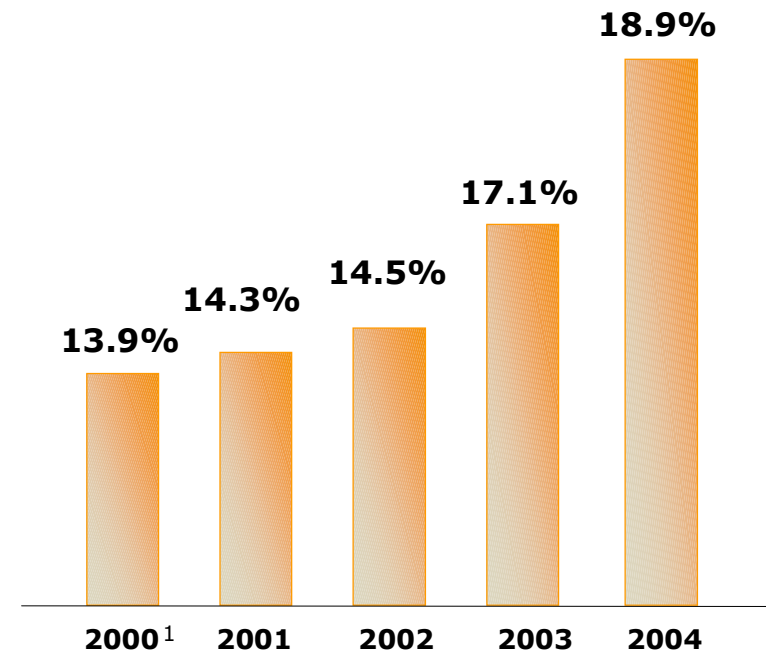


(1) Skin care, sunscreen, makeup, perfums, fragrances, hair care, shaving products and deodorant - excludes diapers, nail polishes, sanitary pads, hair dyes and oral hygiene. Source: Sipatesp/ ABHIPEC

(2) Deflated by IPCA.

## Natura - Market Share

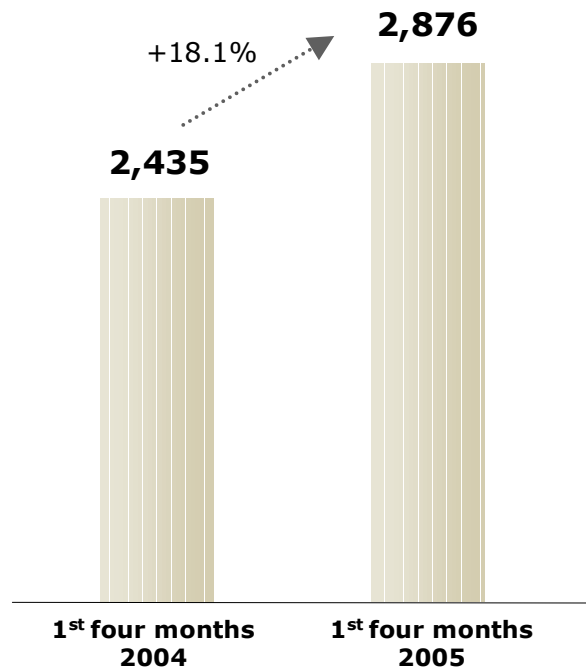
(%)



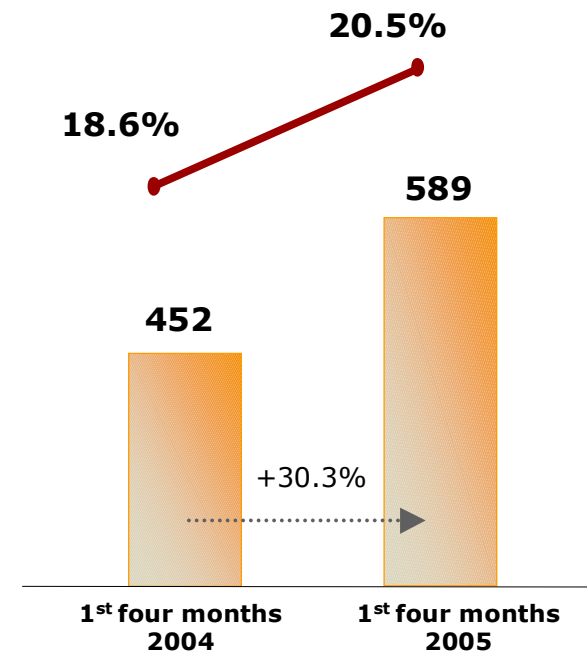
(1) Natura Empreendimentos figures.

## Net revenues: Target Market\*

R\$ million



## Net revenues: Natura - R\$ million and Market Share - %



— Market Share

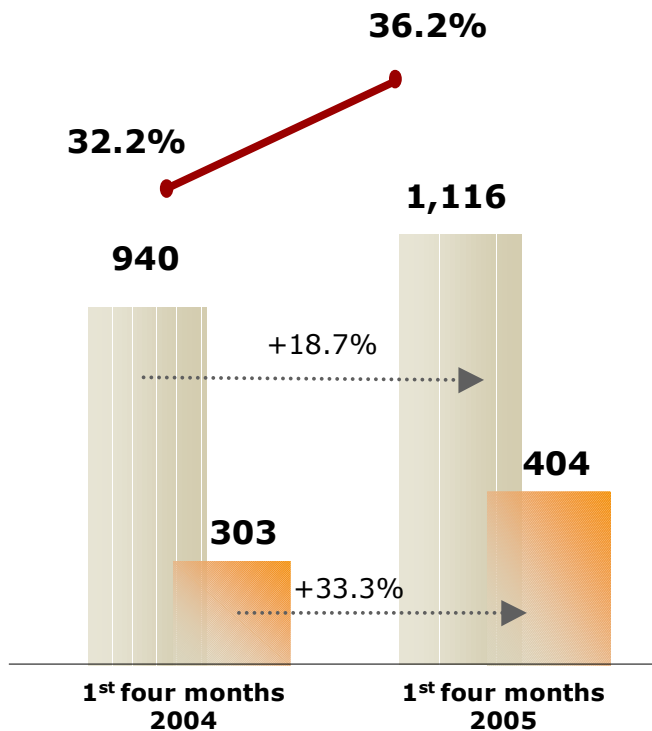
(1) Skin care, sunscreen, makeup, perfums, fragrances, hair care, shaving products and deodorant - excludes diapers, nail polishes, sanitary pads, hair dyes and oral hygiene. Source: Sipatesp/ ABHIPEC. Note: net revenues at industry prices.



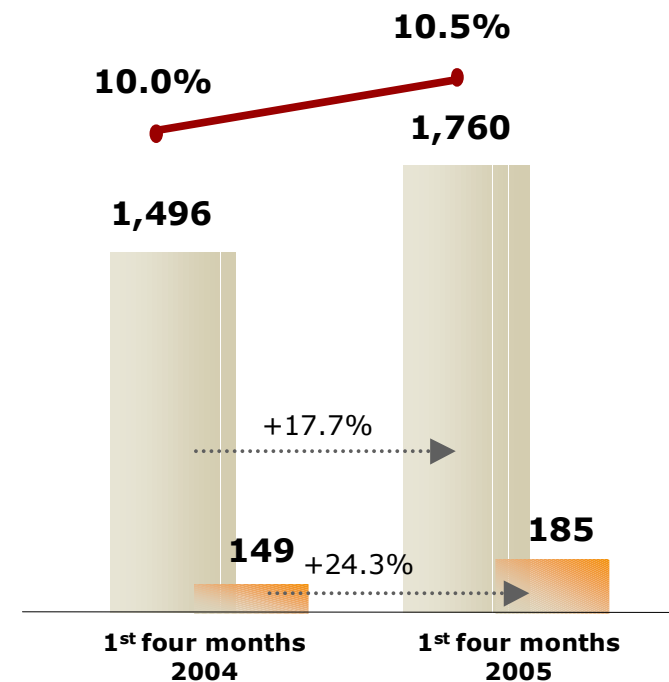
# CF&T target market growth in Brazil per category (First Four months of 2005)

Net revenues in R\$ million

## Cosmetics and Fragrances



## Personal Hygiene



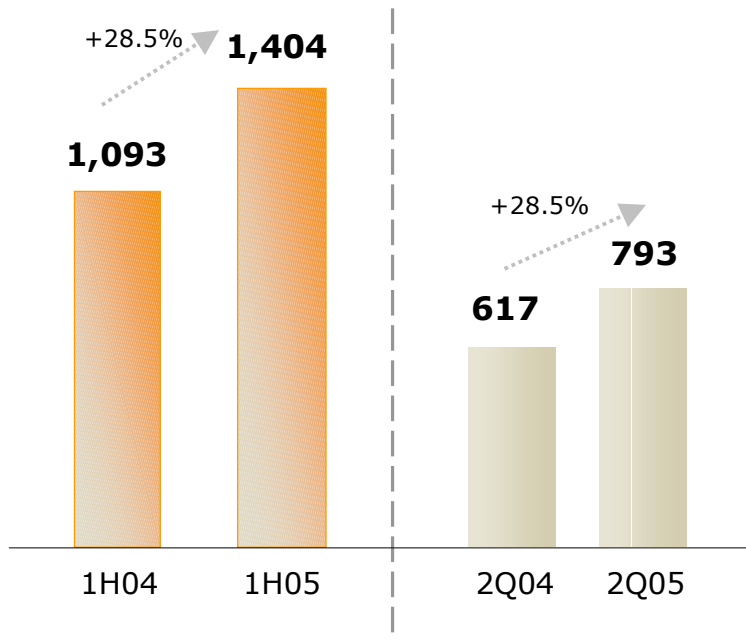
Market Natura Market Share

(1) Skin care, sunscreen, makeup, perfums, fragrances, hair care, shaving products and deodorant - excludes diapers, nail polishes, sanitary pads, hair dyes and oral hygiene. Source: Sipatesp/ ABHIPEC. Note: net revenues at industry prices.

## Consolidated Gross Revenues

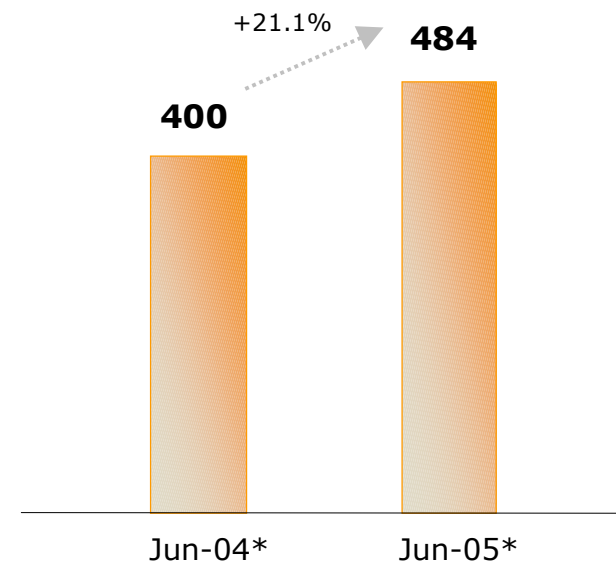
R\$ million

**CAGR (02-04) = 34.2%**



## Consolidated Total Number of Consultants - thousands

**CAGR (02-04) = 16.1%**

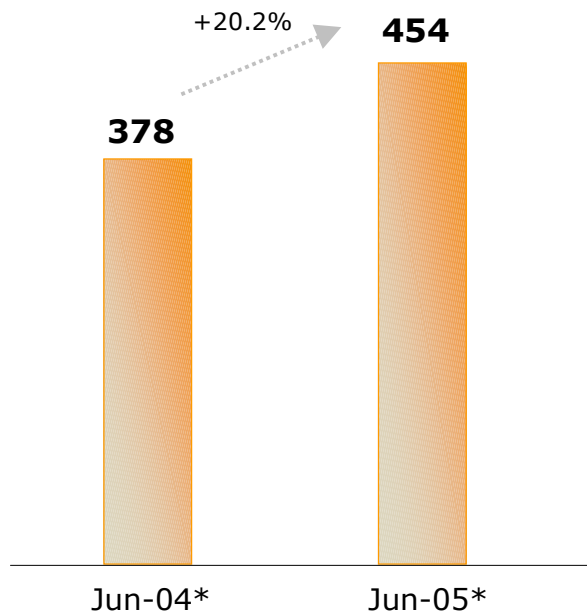


(\* ) number of consultants at the end of the 9<sup>th</sup> sales cycle.

### Consultants in Brazil

in thousands

**CAGR (02-04) = 15.1%**

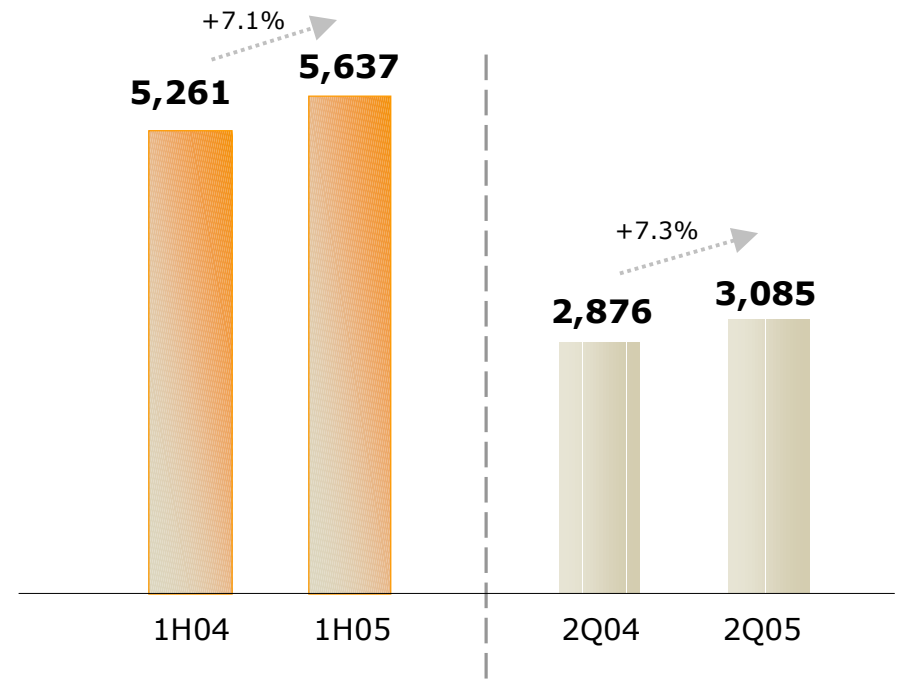


(\*) number of consultants at the end of the 9<sup>th</sup> sales cycle.

### Productivity<sup>1</sup> in Brazil

R\$ per average active consultant

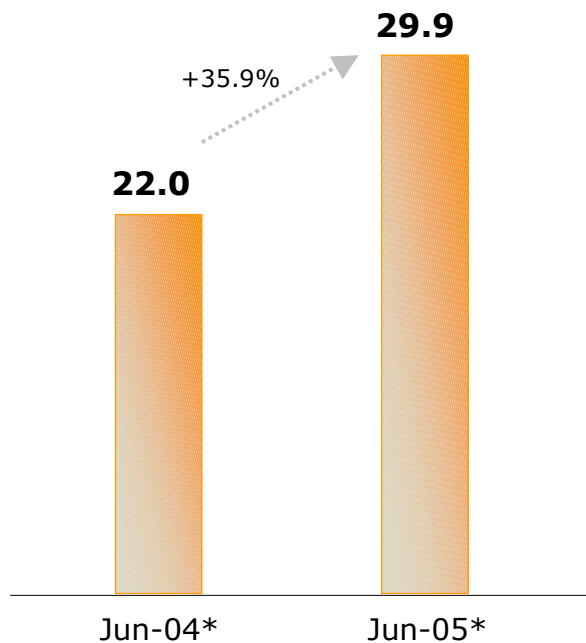
**CAGR (02-04) = 13.0%**



(1) Volume of orders per average active consultants in the periods.

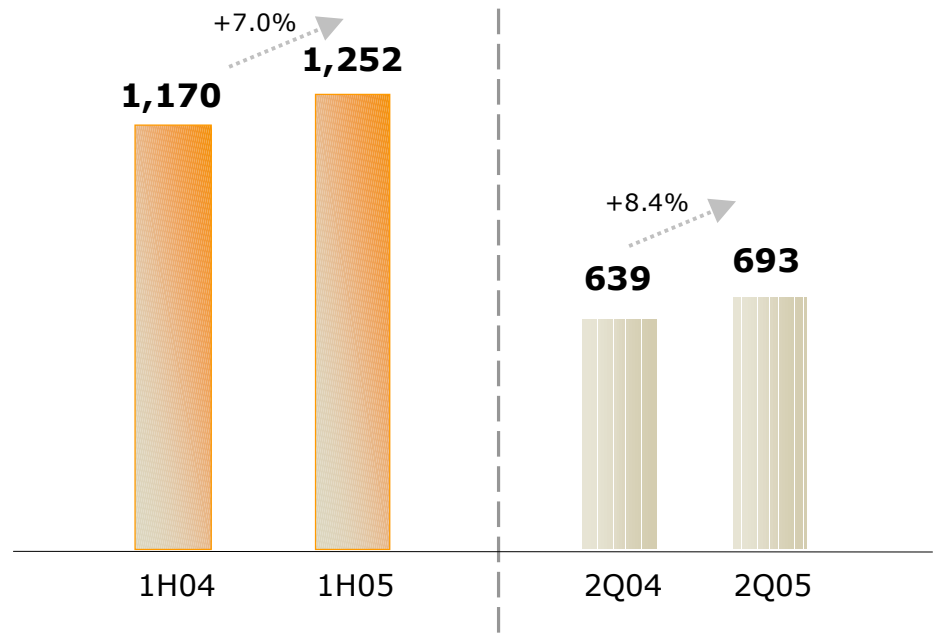
### Consultants<sup>1</sup> International Operations - thousands

CAGR (02-04) = 35.1%



### Productivity<sup>2</sup> International Operations - US\$

CAGR (02-04) = 24.9%

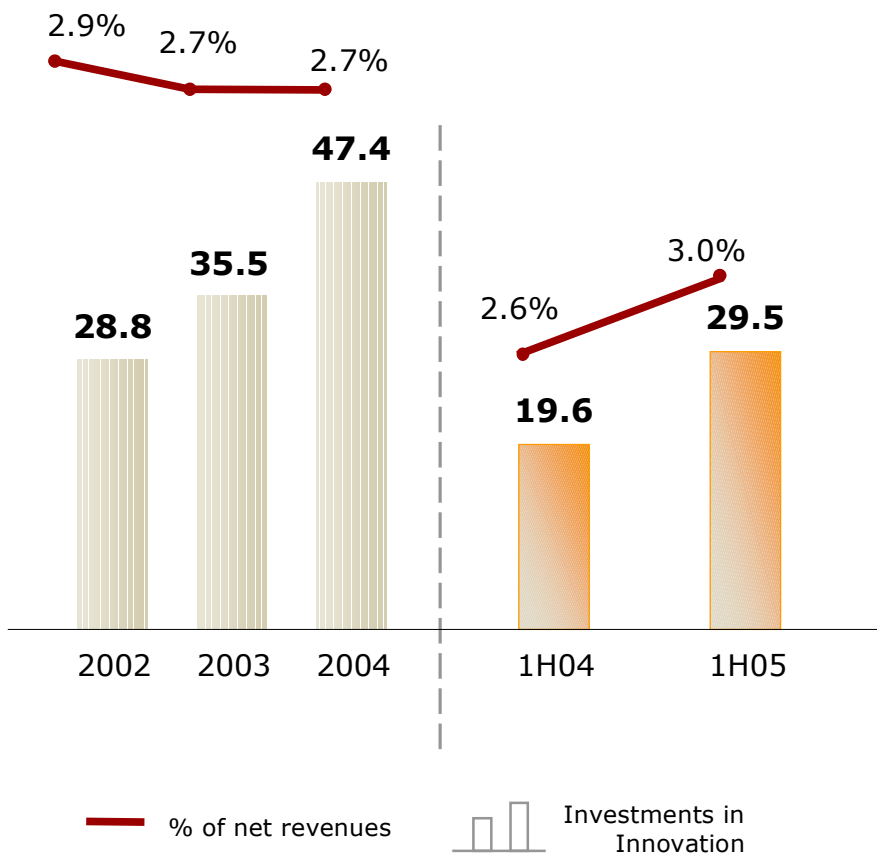


(\*) number of consultants at the end of 9<sup>th</sup> sales cycle.  
 (1) Considers the number of available consultants in Argentina, Chile and Peru.

(2) Volume of orders per average active consultants in the periods.

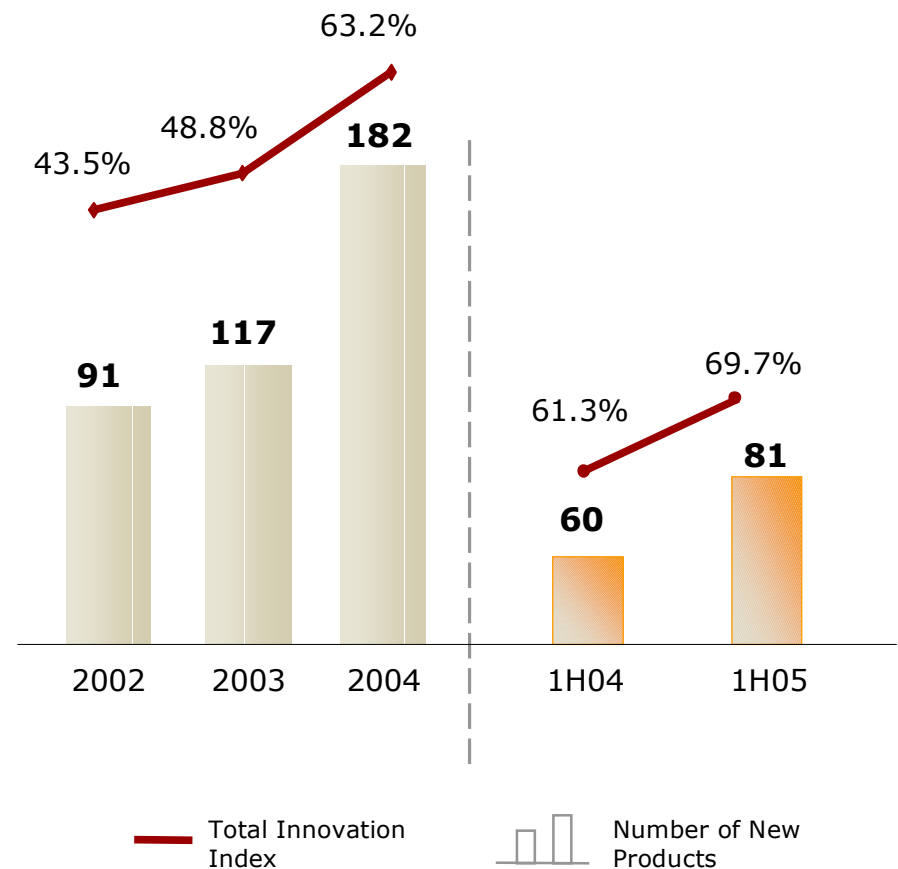
## Investments in Innovation

R\$ million



## Number of New Products and Total Innovation Index

Innovation + Improvement





## Social Results: Crer para Ver

### Sell products from Crer para Ver line:

	1H05	1H04	05 x 04
Gross revenues (R\$ million)	3.8	2.6	46.2%



## Environmental Results: Life Cycle Assessment (LCA)

### LCA Results in the First Half:

	2005	2004
Natura's average environmental impact*	10.2	10.3

**100 % of launched products under LCA packaging analysis**

(\*) This indicator considers weighted average environmental impact and number of items sold.

In R\$ million - Consolidated

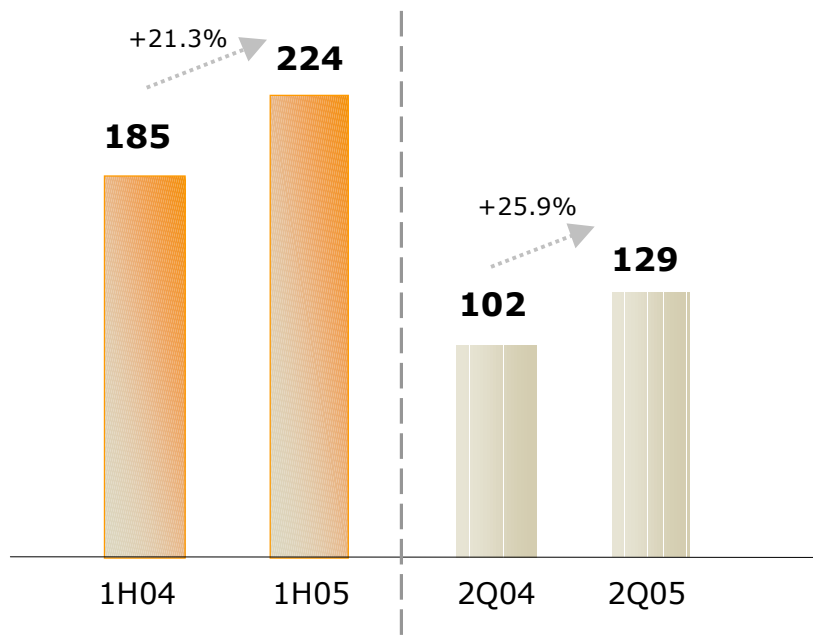
	<b>2Q05</b>	<b>2Q04</b>	<b>% change</b>
Units sold - items for resale (in millions)	48.7	41.6	17.1
Net revenues	557.7	428.5	30.1
Gross profit	383.2	282.6	35.6
<i>Margin (%)</i>	<i>68.7</i>	<i>65.9</i>	-
EBITDA	128.7	102.2	25.9
<i>Margin (%)</i>	<i>23.1</i>	<i>23.9</i>	-
Net income	87.9	78.8	11.5
<i>Margin (%)</i>	<i>15.8</i>	<i>18.4</i>	-

In R\$ million - Consolidated

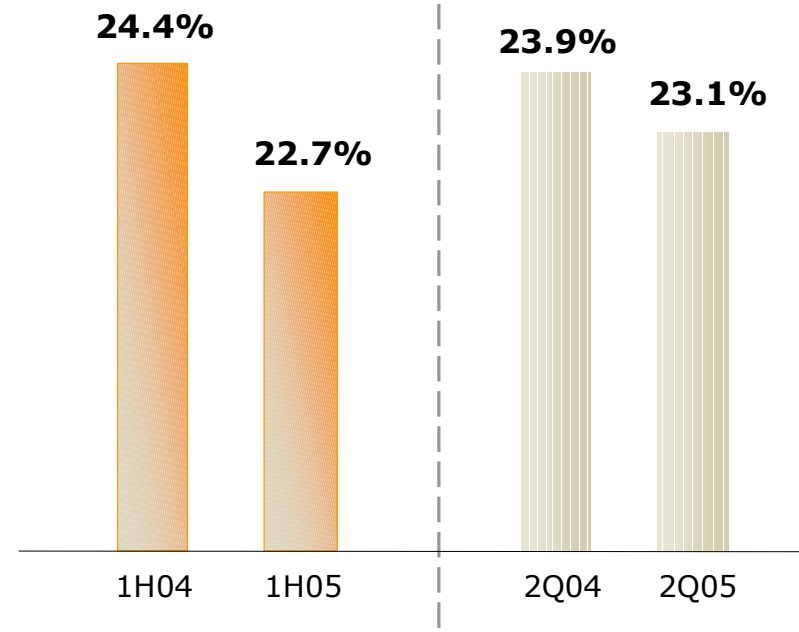
	<b>1H05</b>	<b>1H04</b>	<b>% change</b>
Units sold - items for resale (in millions)	94.4	76.3	23.7
Net revenues	984.9	757.7	30.0
Gross profit	665.3	503.4	32.2
<i>Margin (%)</i>	<i>67.6</i>	<i>66.4</i>	<i>-</i>
EBITDA	223.8	184.6	21.3
<i>Margin (%)</i>	<i>22.7</i>	<i>24.4</i>	<i>-</i>
Net income	157.6	123.5	27.6
<i>Margin (%)</i>	<i>16.0</i>	<i>16.3</i>	<i>-</i>

## EBITDA - R\$ million

**CAGR (02-04) = 47.3%**

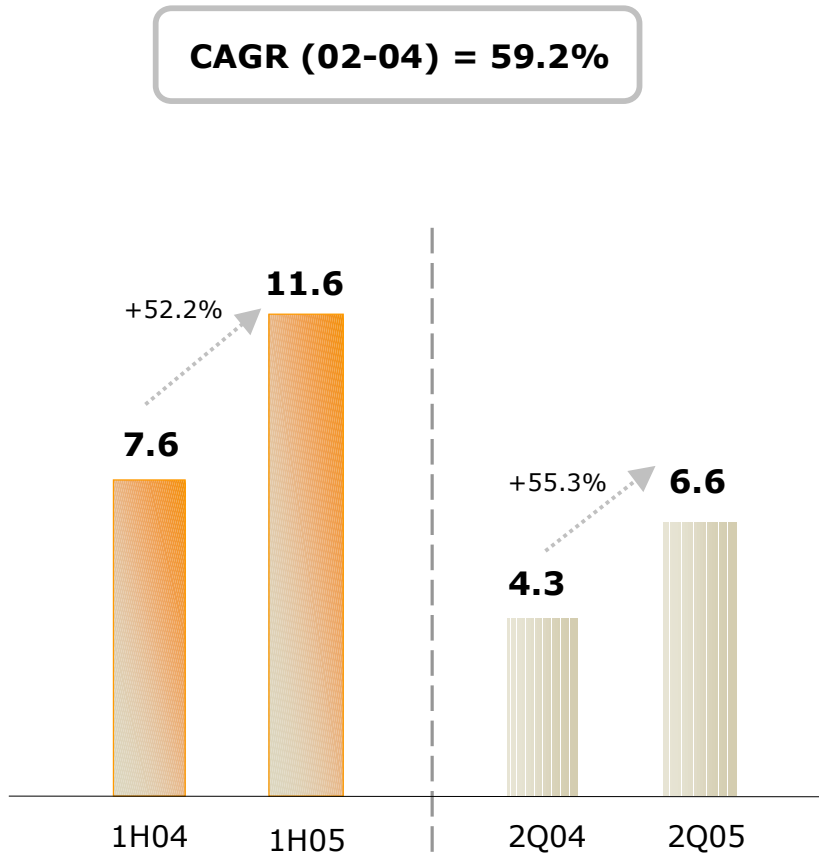


## EBITDA margin - %

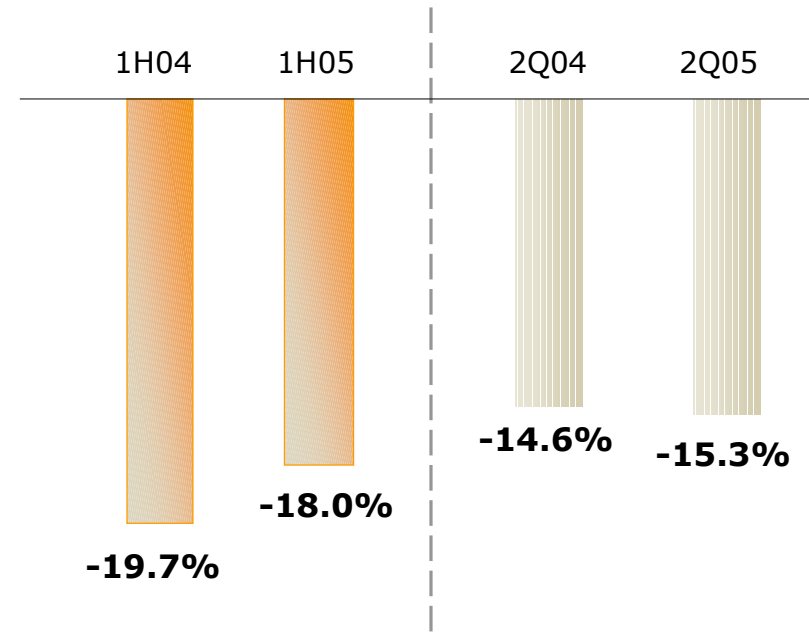


## Net Revenues - US\$ million

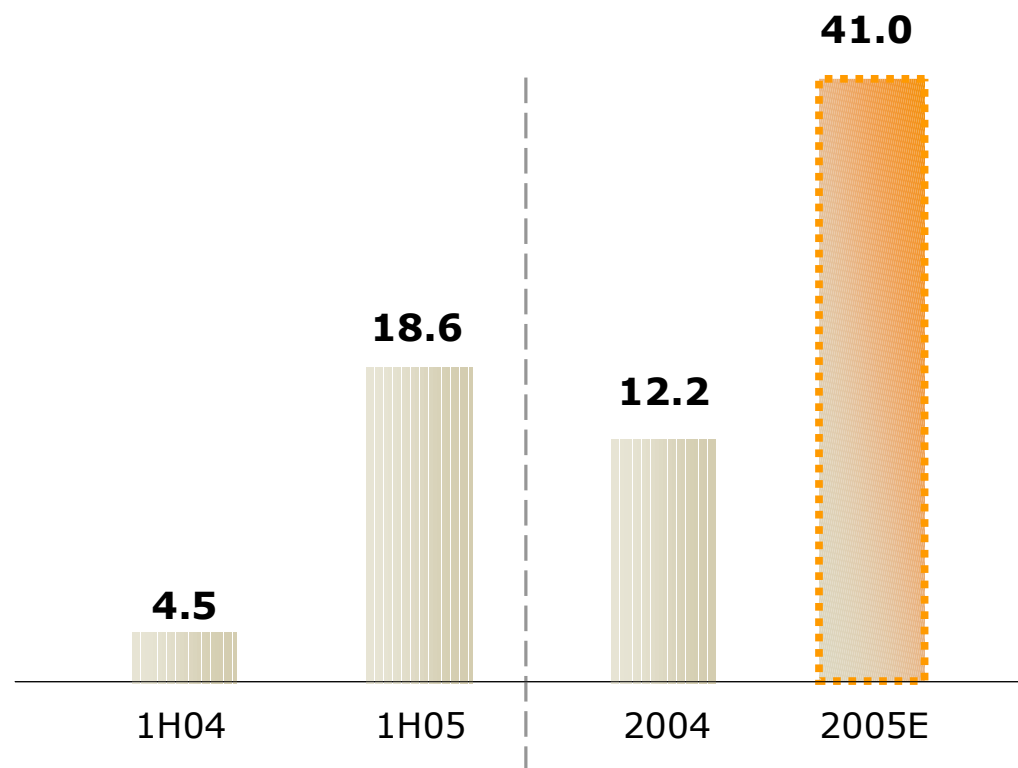
CAGR (02-04) = 59.2%



## Operational Margin

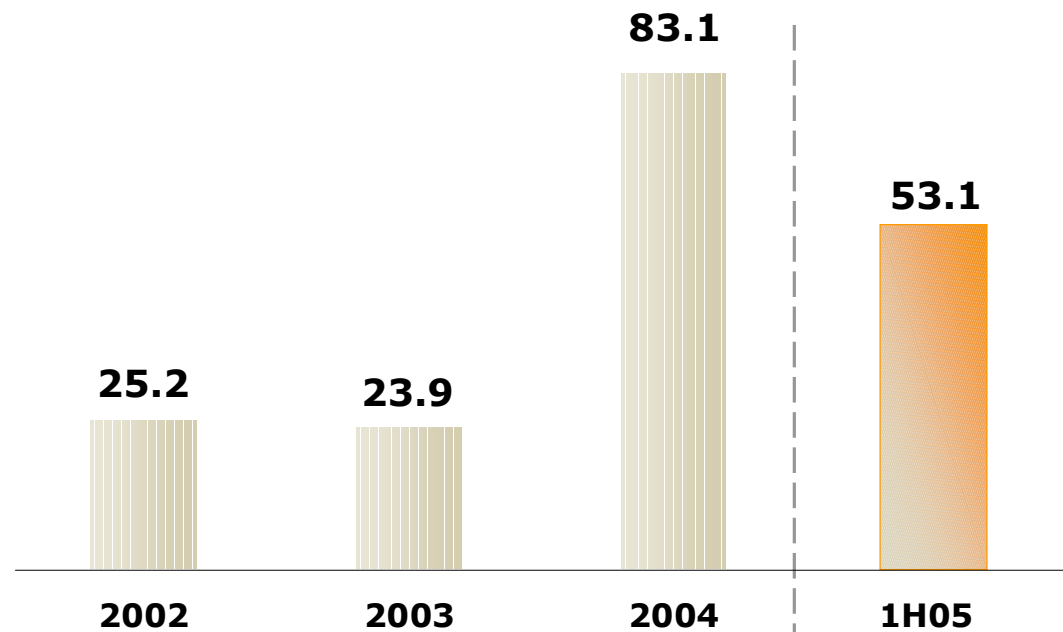


## Total Net Expenses\* - R\$ million



(\*): considers operating loss from existing operations (Argentina, Chile and Peru) added to, (i) new operations (Mexico and France); and (ii) exchange rate impact on controlled companies balance sheet translations.

## CAPEX - R\$ million

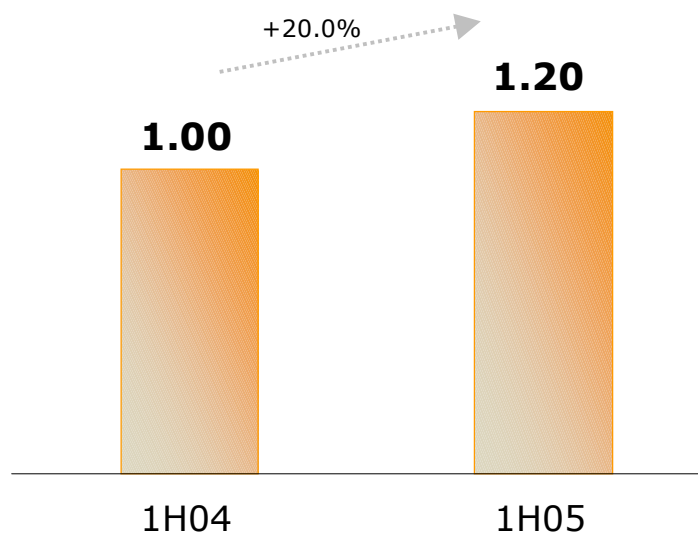


**2005E : R\$120 million**

R\$ million	<b>1H05</b>	<b>1H04</b>	<i>% change</i>
<b>Net income for the period</b>	<b>157.6</b>	<b>123.5</b>	<b>27.6</b>
(+) Depreciation	20.1	17.1	17.5
(+) Other non-cash expenses	7.2	4.6	56.5
<b>(=) Cash generated before working capital, long-term receivables and long-term liabilities</b>	<b>184.9</b>	<b>145.2</b>	<b>27.2</b>
(-) Changes in working capital, long-term receivables and long-term liabilities	40.5	11.8	243.2
<b>(=) Operating cash generation</b>	<b>144.4</b>	<b>133.4</b>	<b>8.2</b>
(-) CAPEX	53.1	26.8	98.1
<b>(=) Free cash generation</b>	<b>91.3</b>	<b>106.6</b>	<b>-14.4</b>



## Dividends and Interest on capital, net - R\$



## Dividends and Interest on capital, net

	1H05	1H04
Total - R\$ million	101.8	84.7
Payout*		
Net income	64.6%	68.6%
Free cash flow	111.5%	79.5%

(\*) Dividends + interest on capital net of taxes.

**3Q05 earnings  
release**

October 26, 2005

(after São Paulo Stock Exchange trading hours)

**3Q05 Conference  
call and Webcast**

October 27, 2005



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