

NATURA COSMÉTICOS S.A.

CNPJ/MF No. 71.673.990/0001-77 Publicly-held Company NIRE 35.300.143.183

Capital Subscribed to and Paid-in: R\$ 232,237,080.50 – 427,670,432 Registered Shares of Common
Stock [ON]

Authorized Capital: up to 14.117.070 ON shares

MINUTES OF THE BOARD OF DIRECTORS MEETING HELD ON JULY 26, 2006

On July 26, 2006, at 10:00 a.m., at the Company's Headquarters located in the City of Itapecerica 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.** held a meeting, with attendance of all of its members and under the chairmanship of Mr. Guilherme Peirão Leal, for the purpose of, pursuant to the provisions of article 28, paragraph third, of the Company's Bylaws, examining, discussing and voting the Board of Directors proposal for distribution of dividends, to be allocated as the legal dividend for the fiscal year to be ended on December 31, 2006.

After the subject being analyzed, the directors approved, by unanimous vote and without any reservations, to be ratified by the Annual Shareholders Meeting designed to discuss the financial statements related to the fiscal year to be ended on December 31, 2006, that:

1. On August 10, 2006, dividends shall be paid to shareholders in the aggregate amount of one hundred and twelve million, one hundred and eight thousand, nine hundred and seventy-five reais and eighty-four centavos (R\$ 112,108,975.84), representing R\$ 0.26304955 per share, without withholding of Income Tax at Source;

2. The calculation base for such dividends shall be the equity position on July 31, 2006 and, from August 1st, 2006 on, the Company shares shall be negotiated ex dividends; and

3. The Company recorded the credits corresponding to the dividends in its accounting books on June 30, 2006.

As there are no other subjects to be discussed, the Chairman of the Presiding Committee declared the meeting closed, determining the drafting of these minutes that, upon being read and approved, were signed by all directors. Signatures: Guilherme Peirão Leal, Chairman of the Meeting and Co-chief executive operation of the Board; Antonio Luiz da Cunha Seabra, Co-chief executive operation of the Board, as represented by Guilherme Peirão Leal; Pedro Luiz Barreiros Passos, Co-chief executive operation of the Board; Edson Vaz Musa, director and José Guimarães Monforte, director.

JOSÉ DAVID VILELA UBA
Chief Financial Officer and Chief Investor Relations Officer