

NATURA COSMÉTICOS S.A.

CNPJ/MF 71.673.990/0001-77

A Publicly-Held Corporation

NIRE 35.300.143.183

Subscribed and Paid-in Capital: R\$230,761,985.57 – 427,193,055 common shares (ON)

Authorized Capital: up to 14,117,070 common shares (ON)

MINUTES OF THE ANNUAL GENERAL AND THE SPECIAL GENERAL MEETINGS HELD ON MARCH 29, 2006

I - Date, time and place: on March 29, 2006, at 10am, at the Company's headquarters, on Rodovia Régis Bittencourt, Km 293, s/nº, Edifício I, CEP 06850-000, in the city of Itapecerica da Serra, in the state of São Paulo.

II – Notice: notices were published in the newspapers *Diário Oficial do Estado de São Paulo* and *Valor Econômico*, in the editions of February 22, 23 and 24, 2006, on pages 53, 97 and 10, and E2, E15 and E1, respectively, pursuant to item II of article 124 of Law 6,404/76.

III – Financial Publicity: the Company's Management Report and Financial Statements, together with the Report of the Independent Auditors for the fiscal year ended December 31, 2005, were published in the newspapers *Diário Oficial do Estado de São Paulo* and *Valor Econômico*, in the editions of February 22, 2006, on pages 3 to 12, and D6 to D9, respectively, and due to paragraph five of article 133 of Law 6,404/76, the publication of the notices mentioned in the caption of said article 133 of Law 6,404/76 was waived.

IV – Quorum: present to the meeting were the shareholders of record of common shares issued by the Company and representing XX percent (XX%) of the Company's capital stock, pursuant to the records of the Shareholders' Attendance Book.

V – Statutory Presence: Independent Auditor Mr. Edimar Facco, legal representative of Deloitte Touche Tohmatsu - Auditores Independentes and the Company Management were present to the meeting, pursuant to paragraph one of article 134 of Law 6,404/76.

VI – Composition of the Meeting: The Chairperson of the meeting was Mr. Guilherme Peirão Leal, who invited me, Antonio Carlos Siqueira da Silva, to be the Secretary.

VII - Agenda:

1. at the Annual General Meeting: (i) to verify the Managers' accounts, and to evaluate, discuss and vote the Company's Management Report and Financial Statements, together with the Report of the Independent Auditors for the fiscal year ended December 31, 2005; **(ii)** to evaluate the capital budget proposal for 2006, and the allocation of net income for the fiscal year ended December 31, 2005, and to ratify the advanced distributions of interim dividends and interest on own capital; **(iii)** to elect members of

the Company's Board of Directors; **(iv)** to establish the global compensation of the Company's Directors to be paid up to the Annual General Meeting in which the Company's shareholders will vote the financial statements of the fiscal year to be ended on December 31, 2006; and **(v)** to evaluate, discuss and vote the change of newspaper where the Company's financial publicity, pursuant to Law 6,404/76, will be carried out.

2. at the Special General Meeting: (i) to evaluate the proposed five-for-one stock-split of common shares, all of them non-par, nominative shares, issued by the Company; **(ii)** to approve the change of article 5 and of the caption of article 6 of the Company's By-Laws as a result of the voting of the stock-split mentioned in item (i) above, as well as to consolidate the changes arising from the Board of Directors' Meeting held on May 24, 2004; **(iii)** to evaluate the proposed change of article 1, paragraphs 1 and 3 of article 2, paragraph 3 of article 6, item VIII of article 12; the inclusion of a paragraph in article 13, to be numbered paragraph 2 with the subsequent renumbering of the current paragraph 2; the change of article 16, of article 17, of paragraphs 2 and 3 of article 18, of items XII, XVIII and XXV of article 20, of paragraph 2 of article 21, of items II and III of article 22, of section "a" of paragraph 4 of article 25, of paragraph 3 of article 26, of article 30, of item II of article 31, of items I and II of article 32, of paragraph 8 of article 33, of article 35, of article 36, of article 37 and its paragraphs; the inclusion of a new article, to be numbered article 38 with the subsequent renumbering of current articles 38 through 44; the change of current article 39; the inclusion of a sole paragraph in article 42; and the exclusion of article 43 of the Company's By-Laws in order to adapt it to the new provisions of the São Paulo Stock Exchange ("BOVESPA") New Market Listing Regulations, in order to consolidate the changes to its articles carried out as a result of the Board Meetings held on December 14, 2004, May 2, 2005 and August 1st, 2005, and to make the adjustments proposed by the members of the Board of Directors; and **(iv)** to evaluate the proposed consolidation of the Company's By-Laws, pursuant to the draft available to the shareholders at the Company's headquarters and at its website www.natura.net/investidor.

VIII – Annual General Meeting - Decisions: the shareholders of record of common shares, all of them no par value shares, issued by the Company and representing more than two thirds (2/3) of the Company's capital stock, present to the meeting, with the abstention of those legally challenged and of the shareholders Vanguard Emerging Markets referring to all points of the General Meeting Agenda and of the shareholder iShares MSCI Brazil Free Index Fund referring to points (i) and (ii) of the General Meeting Agenda.

1. The Company's Management Report and Financial Statements, together with the Report of the Independent Auditors for the fiscal year ended December 31, 2005.

2.

(i) The capital budget for 2006 and the allocation of net income for the year ended December 31, 2005, as follows:

The capital budget for the current year, including property, plant and equipment and working capital, amounts to two hundred twenty million reais (R\$220,000,000.00), and originates from the following: **(a)** seventy seven million, nine hundred fifteen thousand, five hundred fifty eight reais and eighty eight centavos (R\$77,915,558.88) from the Income Retention Reserve; and **(b)** one hundred forty two million, eighty four thousand, four hundred forty one reais and twelve centavos (R\$142,084,441.12) from third parties.

NET INCOME FOR THE YEAR

R\$397,357,978.74

Breakdown:

Income Retention Reserve	R\$77,915,558.88
Dividends	R\$285,236,982.15
Interest on Own Capital (gross)	R\$34,205,437.71

As provided for in the first paragraph of article 193 of Law 6,404/76, the Company did not allocate the five percent (5%) of net income for the fiscal year ended December 31, 2005 to the Legal Reserve because the sum of the balance of the Legal Reserve and the Capital Reserves, mentioned in the first paragraph of article 182 of Law 6,404/76, was in excess of thirty percent (30%) of the Company's capital stock.

Due to its growth and the estimates made for its business for the current year, Company will make a substantial investment in the expansion of its production capacity and in several procedure improvement projects. In order to do that, the creation of an Income Retention Reserve in the amount of seventy seven million, nine hundred fifteen thousand, five hundred fifty eight reais and eighty eight centavos (R\$77,915,558.88) from net income for the fiscal year ended December 31, 2005 will be very timely.

The amount allocated to the Income Retention Reserve will be used to finance part of the Company's Consolidated Capital Budget for the fiscal year 2006.

(ii) the following decisions made by the Board of Directors were ratified: **(a)** in a meeting held on April 28, 2005, at 4:00pm, approval of the distribution of interest on own capital amounting to thirteen million, three hundred eighty two thousand, nine hundred ten reais and sixteen centavos (R\$13,382,910.16), or R\$0.157818997 per share, with fifteen percent (15%) of withholding income tax, resulting in net interest on own capital totaling R\$0.134146147 per share, paid on August 16, 2005; **(b)** in a meeting held on July 27, 2005, at 4:00pm, approval of the distribution of dividends amounting to ninety million, four hundred thirty three thousand, four hundred ninety two reais and fourteen centavos (R\$90,433,492.14), equivalent to R\$1.065685380 per share, paid on August 16, 2005; **(c)** in a meeting held on July 27, 2005, at 5:00pm, approval of the distribution of interest on own capital amounting to ten million, three hundred forty nine thousand, three hundred seventeen reais and sixty seven centavos (R\$10,349,317.67), equivalent to R\$0.121958317 per share, with fifteen percent (15%) of withholding income tax, resulting in net interest on own capital totaling R\$0.103664570 per share, to be paid on April 4, 2006 to the shareholders of record on August 1st, 2005; **(d)** in a meeting held on November 23, 2005, at 10:00am, approval of the distribution of interest on own capital amounting to ten million, four hundred seventy

three thousand, two hundred nine reais and eighty eight centavos (R\$10,473,209.88), equivalent to R\$0.123383493 per share, with fifteen percent (15%) of withholding income tax, resulting in net interest on own capital totaling R\$0.10487597 per share, to be paid on April 4, 2006 to the shareholders of record on November 28, 2005; and **(e)** in a meeting held on February 21, 2006, at 10:00am, approval of the distribution of dividends amounting to one hundred ninety four million, eight hundred three thousand, four hundred ninety reais and one centavo (R\$194,803,490.01), to be paid on April 4, 2006.

3. the reelection of the Company's current Directors for the next term which shall be in force up to the installation of the members to be elected by the Annual General Meeting to be held to evaluate the financial statements for the fiscal year to be ended on December 31, 2006, as follows: **(i)** Mr. **ANTONIO LUIZ DA CUNHA SEABRA**, Brazilian, married, economist, holder of Identity Card (RG) number 3.524.557 SSP/SP, enrolled at the CPF/MF under number 332.927.288-00, with business address at Rodovia Anhangüera, Km 30.5, Bloco "B", 4º andar, CEP 07750-000, in the city of Cajamar, in the state of São Paulo; **(ii)** Mr. **GUILHERME PEIRÃO LEAL**, Brazilian, divorced, business administrator, holder of Identity Card (RG) number 4.105.990-6 SSP/SP, enrolled at the CPF/MF under number 383.599.108-63, with business address at Rodovia Anhangüera, Km 30.5, Bloco "B", 4º andar, CEP 07750-000, in the city of Cajamar, in the state of São Paulo; **(iii)** Mr. **PEDRO LUIZ BARREIROS PASSOS**, Brazilian, married, engineer, holder of Identity Card (RG) number 4.700.753 SSP/SP, enrolled at the CPF/MF under number 672.924.618-91, with business address at Rodovia Anhangüera, Km 30.5, Bloco "B", 4º andar, CEP 07750-000, in the city of Cajamar, in the state of São Paulo; **(iv)** Mr. **JOSÉ GUIMARÃES MONFORTE**, Brazilian, married, economist, holder of Identity Card (RG) number 4.127.063 SSP/SP, enrolled at the CPF/MF under number 447.507.658-72, with business address at Rua Amauri, nº 255, 4º andar, CEP 01448-900, in the city of São Paulo, in the state of São Paulo; **(v)** Mr. **EDSON VAZ MUSA**, Brazilian, married, economist, holder of Identity Card (RG) number 2.249.812-6 SSP/SP, enrolled at the CPF/MF under number 016.361.978-68, with business address at Avenida das Nações Unidas, nº 11.857, 15º andar, CEP 04578-908, in the city of São Paulo, in the state of São Paulo. On that occasion, the reelected Directors fulfilled all statutory requirements of articles 146 and 147 of Law 6,404/76 and of the Brazilian Securities and Exchange Commission (CVM) Normative Instruction 367, of May 29, 2002, and the reelected Director, Mr. **EDSON VAZ MUSA**, qualified above, also fulfilled the requirements of the São Paulo Stock Exchange (BOVESPA) New Market Listing Regulations, being, therefore, considered an independent member according to said New Market Listing Regulations.

4. the establishment of the Managers' global compensation up to the next Annual General Meeting to be held to evaluate the financial statements for the fiscal year to be ended on December 31, 2006, in the amount of up to twelve million five hundred thousand reais (R\$12,500,000.00).

5. the maintenance of the newspaper "Valor Econômico" for the Company's financial publicity, pursuant to Law 6,404/76.

IX – Special General Meeting - Decisions: The shareholders of record of common shares issued by the Company and representing more than two thirds (2/3) of the Company's capital stock, present to the meeting, approved the following, with the abstention of the shareholders Fidelity Advisor Series VIII: latin América Fund, Emerging Markets Fund and Fidelity latin América Fund, referring to the points 3 and 4 of the Special Meeting Agenda.

1. A five-for-one stock-split of the common shares, with no par value, issued by the Company, provided the following conditions are met:

(i) each one (1) common, nominative, no par value share held on March 30, 2006 shall correspond to five (5) common, nominative, no par value shares on March 31, 2006, and the financial institution in charge of providing book-entry share services to the Company, Banco Itaú S.A., shall be in charge of automatically recording the new shares resulting from the stock-split on behalf of the shareholders of record on the base-date indicated above;

(ii) the shares resulting from the stock-split shall grant its holders identical rights to those currently guaranteed to the Company's shareholders by its By-Laws and the legislation in force;

(iii) the shares resulting from the stock-split shall have the right to dividends or interest on own capital that may be reported after the present date, as well as any advantages and/or rights granted to the shares as from the present date; and

(iv) the three hundred forty thousand, four hundred fifty (340,450) common shares, with no par value, issued by the Board of Directors in a meeting held on February 21, 2006, at 1:30pm, allocated for the subscription and payment-in of common, nominative, no par value shares, issued by the Company, corresponding to fifty percent (50%) of the options granted to the Company's managers and employees, as well as the managers and employees of the companies directly or indirectly controlled by the Company, participants in the Amendment to the Stock Option or Subscription Plan for Common Shares Issued by the Company for the Calendar Year of 2003, approved by the Board of Directors on May 17, 2004, shall be represented by one million, seven hundred two thousand, two hundred fifty (1,702,250) common shares, with no par value after the stock-split.

2. change of article 5 to consolidate the Company's capital stock value, as a result of the increase approved by the Company's Board of Directors on May 24, 2004, as well as to reflect the stock-split of the common shares issued by the Company, pursuant to item IX.1 of the present minutes. Article 5 of the Company's By-Laws now reads as follows:

“Article 5 – the Company's subscribed and paid-in capital stock totals two hundred thirty million, seven hundred sixty one thousand, nine hundred eighty five reais and fifty seven centavos (R\$230,761,985.57), split in four hundred twenty seven million, one hundred ninety three thousand, fifty five (427,193,055) common shares, with no par value.”

3. as a result of the approval of the stock-split of the Company's common shares, with no par value, pursuant to the terms and conditions mentioned above, the change of the limit of the Company's authorized capital, which is currently of up to four million, nine hundred ninety five thousand, nine hundred sixty four (4,995,964) common shares, with no par value, of which two million, one hundred seventy two thousand, five hundred fifty (2,172,550) common shares were issued and paid-in, pursuant to the terms and conditions approved at the Board of Directors' Meeting held on May 24, 2004, and a current total of two million, eight hundred twenty three thousand, four hundred fourteen (2,823,414) still remains to be issued and paid-in, which, after the above-proposed stock-split, shall be equivalent to fourteen million, one hundred seventeen thousand, seventy (14,117,070) common shares, with no par value.

4. As a result of the provisions in item IX.3 above, the change of the caption of article 6 of the Company's By-Laws, which now reads as follows:

"Article 6 – the Company hereby becomes authorized to increase its capital stock up to the limit of fourteen million, one hundred seventeen thousand, seventy (14,117,070) common shares, with no par value."

5. change of the Company's By-Laws in order to **(i)** adapt it to the new provisions of the São Paulo Stock Exchange ("BOVESPA") New Market Listing Regulations; **(ii)** consolidate the changes in its articles carried out as a result of the Board of Director's Meeting held on May 24, 2004 and of the Board Meetings held on December 14, 2004, May 2, 2005 and August 1st, 2005; and **(iii)** carry out further relevant adjustments according to the members of the Board of Directors.

6. as a result of the provisions of item IX.5 above, the following changes to the text:

(i) of article 1 to include that the Company is a publicly-held corporation ruled by its By-Laws, applicable legislation and by the New Market Listing Regulations. Therefore, Article 1 of the By-Laws now reads as follows:

"Article 1 - NATURA COSMÉTICOS S/A is a publicly-held corporation ruled by the present By-Laws, applicable legislation and by the New Market Listing Regulations."

(ii) of paragraph 1 of article 2, of item XIII, of article 20 and item III of article 22, with the exclusion of jurisdiction, currently attributed to the Company's Board, to install branches, warehouses, offices and any other facilities abroad and its attribution to the Company's Board of Directors. Therefore, paragraph 1 of item 2, item XII of article 20 and item III of article 22 now read as follows:

"Article 2 - (...)"

Paragraph 1 - The Company may install branches, agencies, warehouses, offices and any other establishments in the country by the Board of Executive Officers' resolution."

"Article 20 - (...)"

XII. To approve the creation and suspension of subsidiary and the Company's interest in other companies' capital, on a domestic or international basis, as well install branches, agencies, warehouses, offices and any other establishments in the country or oversea;"

"Article 22 - (...)

III. To resolve the creation, transfer and discontinuance of branches, agencies, warehouses, offices and any other Company's establishments in the country;"

(iii) of paragraph 3 of article 2 to state the change of the branch address located in the city of Recife, State of Pernambuco as well as to insert data of the new branch located in the city of Rio de Janeiro, State of Rio de Janeiro. Paragraph 3 or article 2 now reads as follows:

"Paragraph 3 - *The Company also has branches operating administration offices in the following cities:*

Brasília, *Federal Area, SBN Quadra, 01, Bloco "B", nº 14, Edifício CNC;*

Brasília, *Federal Area, Taguatinga, 16, Lote 09/10, sala 02;*

Porto Alegre, *State of Rio Grande do Sul, at Rua Barão de Santo Ângelo, nº 331, Bairro Moinhos de Vento;*

Recife, *State of Pernambuco, at Rua Ernesto de Paula Santos, 187, 22nd floor, Bairro Boa Viagem;*

Rio de Janeiro, *State of Rio de Janeiro, at Av. Ayrton Senna, nº 3.000, salas 317, 318 e 319, Bloco 2, Via Park Offices, Barra da Tijuca.*

Rio de Janeiro, *State of Rio de Janeiro, at Rua Nilo Peçanha, nº 50, conjuntos 2.910 e 2.911."*

(iv) amendment to the wording of paragraph 3 of article 6 and item XVIII of article 20 to state that the Company's Board of Directors may grant call option or share subscription, as per the Call Option or Subscription Granting Programs approved in the General Meeting, to its managers and employees as well as managers and employees of other companies which are directly or indirectly controlled by the Company, the balance of the authorized capital limit being complied on the date of granting of the referred share call options or subscription. Therefore, the above-mentioned paragraph 3 or article 6, and item XVIII of article 20 now read as follows:

"Article 6º - (...)

Paragraph 3 – *General Meeting, the Board of Directors may grant call option or share subscription, according to the Program for the Granting of Call Option or Subscription carried at General Meeting, to its administrators and employees, as well as to administrators and employees of other companies directly or indirectly controlled by the Company, without preemptive right of Company shareholders, at the moment of granting or exercise of call*

option, complying the balance of authorized capital limit at the date of granting of referred call option or subscriptions to shares."

"Article 20 – (...)

XVIII. To grant call option or share subscription, according to the Program for the Granting of Call Option or Subscription carried at General Meeting, to its administrators and employees, as well as to administrators and employees of other companies directly or indirectly controlled by the Company, without preemptive right for the shareholders, complying the balance of authorized, at the moment of granting or exercise of call option, capital limit at the date of granting of referred call option or subscriptions to shares."

(v) of item VIII of article 12, of item XXV of article 20 and of paragraph 8 of article 33 to adjust them to the provisions of the BOVESPA New Market Listing Regulation provisions by inserting the term "institution" which corresponds to financial institutions with responsible investment portfolio, jointly with the brokerage firms and securities dealership, by the preparation of an evaluation report of the company's shares in case of cancellation of the publicly-held company registration or abandonment from the New Market. Said item VIII of article 12, item XXV of article 20 and paragraph 8 of article 33 now read as follows:

"Article 12 – (...)

VIII. To choose a specialized institution or company liable for the preparation of an appraisal report of the Company's shares, in the event the registration as a publicly-held corporation is cancelled or in the event of exit from the New Market, as provided for by Chapter V hereof, amongst institution or companies appointed by the Board of Directors.

"Article 20 – (...)

XXV. To define a three-name list of institution or companies specialized in companies' economic valuation in order to prepare an appraisal report of the Company's shares, in the event the registration of publicly-held corporation is cancelled or in the event of exit from the New Market"

"Article 33 – (...)

Paragraph 8 - *The provision of this Article 33 shall not apply in the event of a person becoming holder of shares issued by the Company in quantity in excess of 15% of the total of shares issued thereby as a result of (i) the incorporation of another corporation by the Company, (ii) the incorporation of another corporation's shares by the Company, or (iii) the subscription of the Company's shares made in a single maiden issue, approved by the Shareholders' General Meeting of the Company, called by its Board of Directors. A capital increase proposal shall determine the fixation of share issue prices based on the economic value obtained from a Company's economic-financial appraisal report prepared by a specialized institution or company with proven experience in the valuation of publicly-held corporations."*

(vi) inclusion of paragraph 2 in article 13 to state that the Board's Members investiture in their respective positions are subject to prior subscription of the Administrators' Instrument of Agreement, as foreseen in the BOVESPA New Market Listing Regulations. Therefore, the new paragraph 2 now reads as follows:

"Paragraph 2 – The investiture of the members of Board of Directors and of the Board of Executive Officers is contingent to preliminary subscription of the Instrument of Agreement of the Directors, in order to the anticipated in the New Market Listing Regulations"

(vii) the wording of *caput of article 16* relative to the term of mandate of the Board of Directors' members, which is currently of 1 (one) year to up to 2(two) years. Therefore, the wording referred *caput of article 16* now reads as follows:

"Article 16 - The Board of Directors shall be composed of, at least, five (5) and, at most, seven (7) members, all shareholders, elected by the General Meeting, for a two-years term, re-election being permitted."

(viii) of first paragraph of article 16 and article 17 relative to the voting at the Shareholders' General Meeting of the number of the Board's Members. The referred first paragraph of article 16 and article 17 now read as follows:

"Article 16 – (...)

Paragraph 1 - In the Annual General Meeting, shareholders shall resolve upon the number of Board of Directors' members."

"Article 17 - At the election of the Board of Directors' members, the General Meeting shall firstly determine by majority vote the number of Board members to be elected. If multiple vote process is not requested as required by law, the Meeting shall vote through a list of candidates previously registered on the board of elections, which shall ensure to shareholders holding, individually or in block, fifteen per cent (15%) or more of Company's common shares the right to appoint one member, in compliance with the limit of main section of Article 16. The board of elections may not accept the registration of any list breaching the provision of this Article."

(ix) insertion of one paragraph in article 16 to state that 20% (twenty percent) of the Board of Directors' Members must be independent counselors, as per definition contained in the BOVESPA New Market Listing Regulations with the consequent renumbering of already existing paragraphs. Therefore, article 16 now reads as follows:

"Article 16 - The Board of Directors shall be composed of, at least, five (5) and, at most, seven (7) members, all shareholders, elected by the General Meeting, for a two-years term, re-election being permitted"

Paragraph 1 – At less twenty per cent (20%) of the members of the Board of Directors should be independent councilmember, according to definition at the New Market Listing Regulations.

Paragraph 2 - In the Annual General Meeting, shareholders shall resolve upon the number of Board of Directors' members.

Paragraph 3 - Board of Directors' members shall be invested in their positions by signing declaration drawn up in the company's records. The Board of Directors' members shall remain in their positions and in the performance of their duties until their deputies are elected, unless resolved otherwise by the Shareholders' General Meeting.

Paragraph 4 - The Board of Directors' member shall have a solid reputation, and may not be elected, except for release from the General Meeting, who (i) occupies positions in companies which may be deemed as company's competitors; or (ii) who has or represents conflicting interests with the company; voting shares may not be exercised by the Board of Directors' member if same impediment factors are characterized thereafter.

Paragraph 5 - It is void, under the form of Article 115, paragraph 1 of Law No. 6.404/76, the exercise of voting shares, in the election of Board of Directors' members, under circumstances characterizing conflict of interests with Company

Paragraph 6 - The Board of Directors' member may not have access to information or participate in the Board of Directors meetings, related to matters which have or represent conflicting interests with the Company.

Paragraph 7 - The Board of Directors, for a better understanding of its attributes, may create committees or work groups with defined purposes being composed of persons designated by it among members of administration and/or persons directly or indirectly related to the Company."

(x) of paragraph 2 of article 18 in order to address that the Co-Chairmen of the Board of Directors are not entitled to a casting vote in case of a tie in the voting of issues which are subject to decision of the referred body. Paragraph 2 of article 18 now reads as follows:

Paragraph 2 - In the Board of Directors' resolutions, the casting vote shall not be attributed to any of the Co-chairmen, in the event of tie vote."

(xi) of paragraph 3 of article 18 to state that in case of impairment or vacancy of any Board of Directors' Members, said body will summon a General Meeting for fill the vacant position. Therefore, paragraph 3 of article 18 now reads as follows:

Paragraph 3 - In the event of impediment or vacancy in the position of member of the Board of Directors, the Board of Directors shall call a General Meeting to occupy respective position."

(xii) of paragraph 2 of article 21 to state that the Finance Officer will substitute for the Commercial Officer in his/her impairments and/or vacancies and will take over his/her position, cumulatively, in case of vacancy. The proposed wording of referred article is set forth hereunder:

"Paragraph 2 - In the event of impediment or temporary absence, the Chief Executive Officer shall be replaced by the Finance Officer, who in case of vacancy shall cumulatively assume the Presidency until the first meeting following the Board of Directors meeting, which shall designate a deputy for the rest of term of office."

(xiii) amendment of item II of article 22 and suppression of its item VI with the consequent renumbering of other items of the referred article, which now read as follows:

"Article 22 - The Board of Executive Officers shall have all powers to practice acts necessary to execute the company's purpose, no matter how special they are, including to dispose and encumber permanent assets, waive rights, compromise and agree, in compliance with related legal or statutory provisions, as well as resolutions adopted by the General Meeting and by the Board of Directors. It is incumbent thereupon to manage the Company's business, especially:

I. To comply with and make these By-Laws and resolutions of the Board of Directors and Shareholders' General Meeting observed;

II. To prepare and submit to the Board of Directors, every year, the Company's strategic plan, the annual review and general budget to the Board of Directors, being responsible for the respective executions;

III. To resolve the creation, transfer and discontinuance of branches, agencies, warehouses, offices and any other Company's establishments in the country;

IV. To decide, until the limit of authority established by the Board of Directors, on the acquisition, disposal and/or encumbrance of permanent assets and financial commitments connected to projects in which the Company intends to invest;

V. To submit on an annual basis to the appreciation of the Board of Directors, the Management Report and the Board of Executive Officers' accounts, accompanied by the independent auditors' report, as well as proposal for application of profits earned in the previous year; and

VI. To submit on a quarterly basis to the Board of Directors, the economic-financial trial balance and a detailed trial balance sheet of the Company and its controlled companies."

(xiv) change of section "a" of paragraph 4 of article 25, to exclude the granting of power of attorneys by the substitute of the CEO during his/her temporary absences or impairments. Therefore, said section now reads as follows:

"(a) all powers of attorney shall be granted jointly by any two (2) Officers;"

(xv) inclusion of one paragraph 3 in article 26 to state that the investiture of the Accounting Committee is subject to the previous subscription of the Instrument of Agreement of the Audit Committee Members, as provisioned in the New Market Listing Regulations. Therefore, said paragraph 3 of article 26 now reads as follows:

“Paragraph 3 – *The investiture of the members of the Board of Auditors is conditioned to the Preliminary subscription of the instrument of agreement of the members of Board of Auditors, as anticipated at New Market Listing Regulations.*”

(xvi) of article 30 to suppress the term of 90 (ninety) days for the public offer to become effective in case of shareholding control sale. Said article now reads as follows:

“Article 30 - *The sale of Company’s share control both by means of a single operation and by means of successive operations shall be contracted under a condition, whether precedent or dissolving, that the purchaser of control shall undertake, to carry out a tender offer of other shareholders, in compliance with the terms and conditions anticipated in the prevailing legislation and at the New Market Listing Regulations, in such manner to ensure them a treatment equal to the seller.*”

(xvii) of item II of article 31 to include, as an obligatory assumption for the effectiveness of the other shareholders’ share acquisition public offer, the sale of the holding company’s control of the Company’s shareholding control. The new wording of referred item is set forth hereunder:

“II. *in the event of sale of control of the Company that have the control power of the Company, and, at this case the controlling shareholder seller shall be obliged to declare to BOVESPA (São Paulo Stock Exchange) the amount attributed to the Company in the referred sale and attach the documentation evidencing this value.*”

(xviii) of items I and II of article 32 to, referring to item I, substitute the term “formulate” for “to make effective” and with regard to item II, explain the period of monetary correction period levied on the value difference between the price paid by representative shares of the shareholding control and that one paid in the Stock Exchange for the Company’s shares. The new wording of mentioned items is set forth hereunder:

“I. *carry out the public offering referred to in the Article 30 hereof; and*

II. *indemnify the shareholders from whom Company’s shares were purchased at the stock exchange within six (6) months prior to the date of transfer of shares representing the Company’s control, and shall pay them possible difference between the price paid to controlling shareholder seller for the shares representing control and amount paid at the stock exchange for the Company’s shares in the same period, duly updated until the payment of shares by IPCA (Amplified Consumer Price Index), calculated by the Brazilian Institute of Geography and Statistic.*”

(xix) the wording of article 35 to include the Company in share acquisition public offers for the cancellation of the publicly-held company registry. Article 35 now reads as follows:

“Article 35 - *In the tender offer to be carried out by the controlling shareholder or by the Company for the cancellation of registration of the Company’s publicly-held corporation, the minimum price to be offered shall correspond to the economic value verified in an appraisal report.*”

(xx) of article 36 to suppress the terms for share acquisition public offer to become effective in case of its abandons the New Market. Said article now reads as follows:

“Article 36 - In the event the shareholders in an Extraordinary General Meeting resolve on the Company’s exit from the New Market, for the Company’s shares being registered for negotiation out of the New Market or because the Corporate Reorganization operation, where the Company’s shares resulting of the reorganization don’t be accepted for trading at New Market, the shareholders or group of shareholders, that have the controlling power of the Company will have to carry out takeover bid, that the low price to be offered should correspond to the economic value found in valuation report.”

(xxi) of article 37, due to the change of installation and decision quorum of the General Meetings aimed at choosing the specialized institution or company that was appointed to prepare the evaluation report of the Company’s shares economic value, as well as to consign that the elaboration costs of the referred evaluation report must be under the offering shareholder’s responsibility. The wording of article 37 is set forth hereunder:

“Article 37 – The appraisal report mentioned in the Articles 35 and 36 of these By-Laws shall be prepared by a specialized institution or company, having proven experience and independent about the power of decisions from the Company, its administrators and controllers. This report shall also observe requirements of the Paragraph 1 of Article 8 of Law No. 6.404/76 and contain the responsibility provided for in the Paragraph 6 of same Article of Law No 6.404/76.

Paragraph 1 - *The choice of a specialized institution or company responsible for the determination of the Company’s economic value is privative incumbent upon the General Meeting, from the moment the Board of Directors submits a three-name list, and the respective resolution, without effect the blank votes, shall be taken by majority vote of shares outstanding, presents at that meeting, that if installed at first call should have the presence of at less shareholders representing twenty per cent (20%) of total shares outstanding, or that, if installed at second call, may have the presence of any number of shareholders representing the shares outstanding.*

Paragraph 2 – *The costs to prepare the appraisal report shall be fully borne by the offering.”*

(xxii) insertion of one article to state that the Company will not register any share transfer to the Buying Controlling Power or to that one (those) who will hold the Controlling Power, while they do not subscribe the Controllers’ Instrument of Agreement, as provisioned in the BOVESPA New Market Listing Regulations, neither the company will not register shareholder’s agreement which states about the exercising of the Controlling Power while its signatories do not subscribe the Instrument of Agreement of the Controllers, with the consequent renumbering of the current articles 38 to 44. Therefore, article 38 now reads as follows:

“Article 38 – The Company will not register any transfer of shares for the buyer of controlling power, or for that who came to have the controlling power, while this one don’t subscribe the Instrument of Agreement of the Controllers, like anticipated at the New Market Listing Regulations. The Company will not register too the shareholders' agreement that say about the exercise of Controlling Power while the signatories don’t subscribe the instrument of agreement of the controllers.”

(xxiii) amendment to the wording of current article 39, which will become article 40, relative to the election of the Market Arbitration Panel. Said article now reads as follows:

"Article 40 - The Company, its shareholders, directors, and the members of the Board of Auditors are compelled to solve, by arbitration, all and any dispute or disagreement that may appear between them, related or deriving, in special, of application, validity, effectiveness, interpretation, violation, and its effects, of the dispositions at the Law No. 6.404/76, at the Company's By-law, at the rules edited by the National Monetary Advice, by the Brazilian Central Bank and by the Securities Commission, as well at other rules applicable to the working of the capital market in general, beyond of those constant of the New Market Listing Regulations, of the New Market Participation Agreement and the rules of arbitration of the Market Chamber of Arbitration."

(xxiv) inclusion of sole paragraph in article 42, which will become article 43, to extend the prohibition of guarantee or financing granting, of any type, to the controlling shareholders. Therefore, the proposed wording of the new article 38 is set forth hereunder:

"Article 43 - (...)

Sole Paragraph – It's prohibited to the Company to award funding or guarantee of any case, under any modality, for the controller shareholders."

(xxv) suppression of current article 43 relative to publications as provisioned by Law nr. 6,404/76, so that in each Ordinary General Meeting the shareholders will discuss the amendment of a large circulation newspaper at the Company's headquarters in which the referred publications may be made.

7. As a result of decisions IX.1, IX.2, IX.3, IX.4, IX.5 and IX.6 described and approved above, the consolidation of the Company's By-Laws, an integral and inseparable part of the present minutes as its Exhibit I.

X – Minutes Publicity: the shareholders present to the meeting unanimously approved the publicity of the current minutes without the signatures of the shareholders who were present, pursuant to paragraph 2 of article 130 of Law 6,404/76.

XI – Closing: having nothing else to discuss, the Chairperson of the meeting thanked the presence of all and closed the session, first adjourning the meeting so that the present minutes could be recorded, which, after being read, discussed and found as fulfilling the requirements, said minutes were approved and signed by all shareholders present to the meeting, by myself the Secretary and by the Chairperson.

The present minutes is an exact copy of the minutes entered into the minutes book.

Itapecerica da Serra, March 29, 2006

JOSÉ DAVID VILELA UBA

Chief Financial Officer and Chief Investor Relations Officer

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