

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 – 427,193,055 common shares

Authorized Capital: up to 14,117,070 common shares

MATERIAL FACT

We announce to shareholders and the market, in compliance with provisions of the Normative Ruling #358, issued on January 3, 2002 by the Securities and Exchange Commission of Brazil, that, at the Extraordinary General Meeting held on March 29, 2006 of **NATURA COSMÉTICOS S.A.** was approved the splitting of non-par common shares issued by the Company, so that each one (one) of shares of common stock, without a par value, as issued by the Company, withheld in the end of the day March 30, 2006, starts to be represented by five (5) of shares of common stock, without a par value in March 31, 2006.

The shares stemming from the splitting shall grant to its holders identical rights currently ensured by the Company's Bylaws and by the prevailing laws to the Company's shareholders and shall be entitled to dividends or interest on own capital, that been report after March 29, 2006, as well as eventual advantages or rights attributed to the shares as from the referred date.

It is incumbent upon the financial institution rendering services for the Company's book-entry shares, Banco Itaú S.A., the automatic registration of new shares resulting from splitting on behalf of those holding shares on the reference date mentioned above.

NATURA COSMÉTICOS S.A.

JOSÉ DAVID VILELA UBA

Chief Financial Officer and Chief Investor Relations Officer