

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\$ 390,579,041.73 - 428,916,966 Registered

Shares of Common Stock [ON]

Authorized Capital: up to 13.116.665 ON shares

MINUTES OF THE BOARD OF DIRECTORS MEETING HELD ON JULY 25, 2007

On July 25, 2007, at 11:00 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 the majority of its members and under the chairmanship of Mr. Pedro Luiz Barreiros Passos, for the purpose of, pursuant to the provisions of article 28, paragraph fifth, of the Company's Bylaws, examining, discussing and voting the Executive Committee proposal for credit and payment of interest on own capital, referring to the months of August to December of 2006, and to the months of January to July of 2007, to be allocated as the legal dividend for the corporate year to be ended on December 31, 2007.

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, 2007, that:

1. On August 10, 2007, interest on own capital, referring to the months of August to December of 2006, and to the months of January to July of 2007, shall be paid to shareholders in the total amount of thirty-nine million, two hundred forty-six thousand, five hundred and six reais and eighty-eight centavos (R\$ 39,246,506.88), representing R\$ 0.091538119 per share, with Income Tax withheld at Source of fifteen percent (15%), resulting in interest on net own capital in the amount of R\$ 0.077807401 per share, except for the shareholders who are proven immune or exempt;

2. The calculation base for such interest on own capital shall be the equity position on July 30, 2007 and, from July 31, 2007 on, the Company shares shall be negotiated ex interest on own capital; and

3. The Company should record the credits corresponding to the interest on own capital in its accounting books at July 31, 2007.

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: Pedro Luiz Barreiros Passos, Chairman of the Meeting and Co-chief executive operation of the Board; Guilherme Peirão Leal, Co-chief executive operation of the Board, Edson Vaz Musa, director; José Guilherme Monforte, director; Luiz Ernesto Gemignani, director and Julio Moura Neto, director.

This document is a free English translation of the original instrument drawn up in the Company's records.

JOSÉ DAVID VILELA UBA

Chief Financial Officer and Chief Investor Relations Officer