

## **NATURA COSMÉTICOS S.A.**

Corporate Taxpayer's ID (CNPJ/MF)  
71.673.990/0001-77

Publicly-held Company

Company's Register (NIRE)  
35.300.143.183

Capital Subscribed to and Paid-in: R\$ 390,617,976.28– 428,929,051 Registered Shares of Common Stock [ON]  
Authorized Capital: up to 13,116,665 ON shares

### **MINUTES OF THE BOARD OF DIRECTORS MEETING HELD ON FEBRUARY 27, 2008**

On February 27, 2008, at 09:00 a.m., at the Company's Headquarters located in the City of Itapeverica 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. Pedro Luiz Barreiros Passos, for the purpose of, pursuant to articles 20, item X and 27, paragraph two of the Company's Bylaws and to the legislation in force, **examining, discussing and voting the Management Report, Financial Statements and Accounting Statements, as accompanied by the Opinion of the Independent Auditors and the proposal of allocation of net profits in the fiscal year ended on December 31, 2007, to be addressed to the Company's shareholders, for discussion at the Annual Shareholders Meeting to be held on March 31, 2008.**

After the subject being analyzed, the board members concluded, by unanimous vote and without any reservations, for the acuteness of the Management Report, Financial and Accounting Statements, as accompanied by the Opinion of the Independent Auditors, for the fiscal year ended on December 31, 2007, with registration of non submission of the opinion provided for in items II, III and VII, of Article 163, of Law No. 6.404/76, because the Fiscal Council was not installed.

The board members approved, again by unanimous vote and without any reservations, the disclosure of the Management Report, Financial and Accounting Statements, as accompanied by the Opinion of the Independent Auditors, for the fiscal year ended on December 31, 2007, to the Securities and Exchange Commission, the São Paulo Stock Exchange and the market, by remittance of such documents through the IPE system of the Securities and Exchange Commission, the legal publication thereof in the Official Gazette of the State of São Paulo and in Valor Econômico and the insertion thereof in the Company site for Relations with Investors ([www.natura.net/investidor](http://www.natura.net/investidor)), as well as the remittance of such documents to Company shareholders, for discussion at the Annual General Meeting to be held on March 31, 2008.

In view of the resolutions above, the total number of the board members approved the remittance of the following proposal of the capital budget for year 2008 and to the allocation of the net profit in the fiscal year ended on December 31, 2007, to shareholders for analysis at the Annual General Meeting to be held on March 31, 2008:

“Proposal by the Board of Directors

Messrs. Shareholders,

The Board of Directors of **NATURA COSMÉTICOS S.A.** submits to you for discussion at the Annual General Meeting to be held on March 31, 2008, the following proposals of capital budget for year 2008 and allocation of net profits in the fiscal year ended on December 31, 2007, according to the corporate legislation in force and the provisions the Company’s Bylaws:

The amount of the capital budget for the year in course, encompassing fixed assets and working capital, is sixty-one million and six hundred thousand reais (R\$ 61.600.000,00), from the following origins: **(a)** forty-one million, seven hundred seventy-seven thousand and one hundred forty-one reais and forty centavos (R\$ 41.777.141,40) from the Profit Reserve and **(b)** nineteen million, eight hundred twenty-two thousand, eight hundred fifty-eight reais and sixty centavos (R\$ 19.822.858,60) from third parties’ funds.

The proposal of the allocation of net profits is:

<b>NET PROFIT IN THE YEAR</b>	<b>R\$ 456.913.816,89</b>
Allocations:	
Profit Reserve	R\$ 41.777.141,40
Dividends	R\$ 375.890.168,61
Interest on Own Capital (gross amount)	R\$ 39.246.506,88

Pursuant to the provisions of paragraph one, of Article 193, of Law No. 6.404/76, five percent (5%) of the net profits in the fiscal year ended on December 31, 2007 were not allocated to the creation of the Legal Reserve, as the Legal Reserve balance, as added to the Capital Reserves dealt with by paragraph one, of Article 182, of Law No. 6,404/76, exceeded by thirty percent (30%) the amount of Company share capital.

In view of the Company growth and the projections prepared on the transactions in the year in course, the Company will invest heavily in the enlargement of its production capacity and in several projects for process and information technology

improving. Therefore, the creation of a Profit Reserve in the amount of forty-one million, seven hundred seventy-seven thousand and one hundred forty-one reais and forty centavos (R\$ 41.777.141,40), from net profits in the fiscal year ended on December 31, 2007.

The amount allocated to Profit Reserve shall be used to fund part of the Company Consolidated Capital Budget for fiscal year 2008.

We further inform that the allocation proposed herein is fully reflected in the Financial Statements prepared by Company Management, which shall be widely disclosed in accordance with the legislation in force.

This is the proposal that we submit to resolution by Messrs. Shareholders.

Itapecerica da Serra, February 27th, 2008.

Signatures: Antonio Luiz da Cunha Seabra; Guilherme Peirão Leal; Pedro Luiz Barreiros Passos; Edson Vaz Musa; José Guimarães Monforte; Luiz Ernesto Gemignani e Julio Moura Neto.”

As there are no other subjects to be discussed, the Chairman of the Presiding Board declared the meeting closed, determining the drawing up of these minutes which, after being read and approved, were signed by all board members. Signatures: Pedro Luiz Barreiros Passos, Chairman of the meeting and Co-Chairman of the Board; Antonio Luiz da Cunha Seabra, Co-Chairman of the Board; Guilherme Peirão Leal, Co-Chairman of the Board; Edson Vaz Musa, board member; José Guimarães Monforte, board member; Luiz Ernesto Gemignani, board member and Julio Moura Neto, board member.

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