

## **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

### **MATERIAL FACT**

We announce to Shareholders and the market that, in compliance with the provisions set forth in Regulatory Instruction no. 358, issued on January 3, 2002 by the Brazilian Securities and Exchange Commission, the Board of Directors of **NATURA COSMÉTICOS S.A.** approved, pursuant to Instruction no. 10, issued by the Brazilian Securities and Exchange Commission on February 14, 1980, and subsequent amendments, to article 30, paragraph one, item "b" of Law no. 6,404, as of December 15, 1976, and subsequent amendments and to article 20, item XVI of the Company's Bylaws **the purchase of up to one million, one hundred and seventy thousand (1.170.000) non-par common shares, representing the Company's capital stock to remain in treasury and subsequent disposal, in order to comply with the exercise of the options granted to its management and employees, as well as to the management and employees of companies directly or indirectly controlled by the Company,** participating in the Amendments to the Plans for the Granting of Call Option or Subscription of Common Shares Issued by the Company related to Calendar Years of 2002, 2003 and 2004, approved by the Company's Board of Directors on May 17, 2004, as well as in the Amendment to the Plan for the Granting of Call Option or Subscription of Common Shares issued by the Company related to Calendar Year 2005 and in the Plans for the Granting of Call Option or Subscription of Common Shares issued by the Company related to Calendar Years of 2006 and 2007, respectively approved by the Company's Board of Directors on April 28, 2005, March 29, 2006 and April 25, 2007.

The Company has in treasury, as of the date hereof, one hundred and sixty one thousand, three hundred three (161,303) non-par registered common shares, representing its capital stock and, pursuant to article 5 of Instruction no. 10, issued by the Securities and Exchange Commission on February 14, 1980, one hundred and thirteen million, seven hundred and seventy-four thousand, three hundred and eighteen (113,774,318) non-par registered common shares, representing the Company's outstanding capital stock in the market.

The purchase of up to one million, one hundred and seventy thousand (1.170.000) non-par common shares, representing the Company's capital stock, shall be effective as of

the date hereof until May 27, 2008, intermediated by the brokerage firm UBS Pactual CTVM S.A. located at Avenida Brigadeiro Faria Lima, n.º 3.729, 10º andar, parte, City of São Paulo, State of São Paulo, and the practice of acts by the Company's Board of Executive Officers necessary to the execution of the repurchase of shares approved under the terms referred to above is authorized.

**NATURA COSMÉTICOS S.A.**

**JOSÉ DAVID VILELA UBA**

Chief Financial Officer and Chief Investor Relations Officer