

## **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\$ 390,947,976.28 – 429,029,051 Registered Shares of Common Stock [ON]

Authorized Capital: up to 12,381,074 ON shares

### **NOTICE TO SHAREHOLDERS DISTRIBUTION OF DIVIDENDS**

1. We announce to shareholders that, at the Board of Directors meeting held on July 23, 2008, as proposed by the Board of Executive Officers, the board members of **NATURA COSMÉTICOS S.A.** approved, subject to the approval of the Annual General Meeting destined to examine the financial statements of the fiscal year to be ended on December 31, 2008:

#### **1.1. Distribution of Dividends**

- a) On August 12, 2008, dividends referring to months of January to June 2008 shall be paid to shareholders in the total amount of one hundred and eighty-seven million, nine hundred and ninety-nine thousand, seven hundred and seventy-seven Reais and sixty-nine cents (R\$ 187,999,777.69), corresponding R\$ 0.43907000 per share, without Withholding Income Tax;
  - b) The calculation base for such dividends shall be the equity position on July 30, 2008 and, from July 31, 2008 on, the Company shares shall be negotiated ex dividends; and
  - c) The Company recorded the credits corresponding to the dividends in its accounting books on June 30, 2008.
2. The payments of amounts mentioned above shall be made as follows:
    - a) Shareholders holding checking accounts at Banco Itaú S.A.: upon credit on their respective checking accounts;
    - b) Shareholders holding checking accounts in other banks who already informed the Bank, branch and checking account number: upon wire transfer;
    - c) The shareholders users of fiduciary custodies shall have their dividends credited according to the procedures adopted by the Stock Exchange;

- d) The shareholders shall have their credits available on the start date of payment of such right in accordance with their checking account and bank location informed to Banco Itaú S.A.;
- e) To shareholders whose registration does not include the CPF (Individual Taxpayer's No.)- CNPJ (Corporate Taxpayer No.) or information about the bank, branch and checking account number, the dividends shall be credited after the third business day from the date of request to update records, provided that the interested parties personally regularize their registration at one of Banco Itaú S.A. branches that have exclusive attendance to the shareholders. In case the regularization of the data is provided in agency not specialized or by correspondence to the Unit of Action and Debentures of Banco Itaú S.A. located in the Avenida Engenheiro Armando Arruda Pereira, n.º 707, 9<sup>th</sup> floor, CEP 04344-902, City of São Paulo, State of São Paulo, the payment will only be set after the conclusion of the registers in the electronic archives of the related bank.

**NATURA COSMÉTICOS S.A.**

**JOSÉ DAVID VILELA UBA**

Chief Financial Officer and Chief Investor Relations Officer