

2004 Earnings Results

February 2005

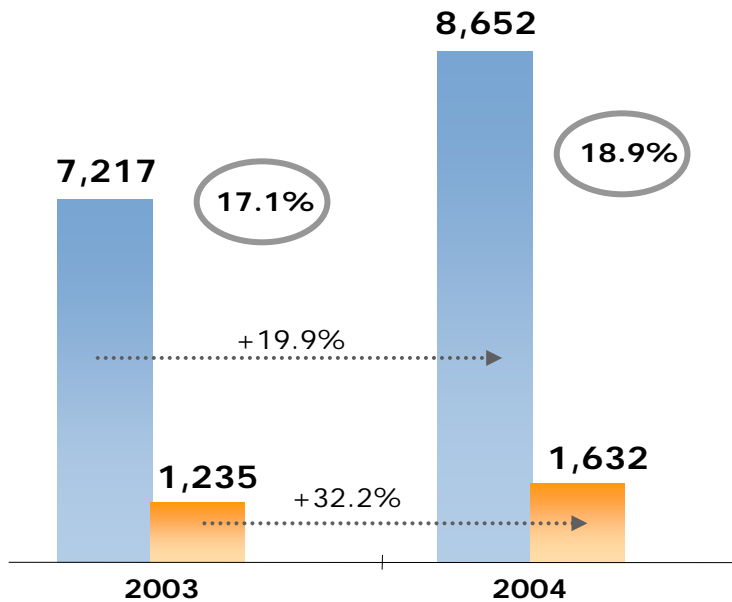
Opening Remarks

Core Business

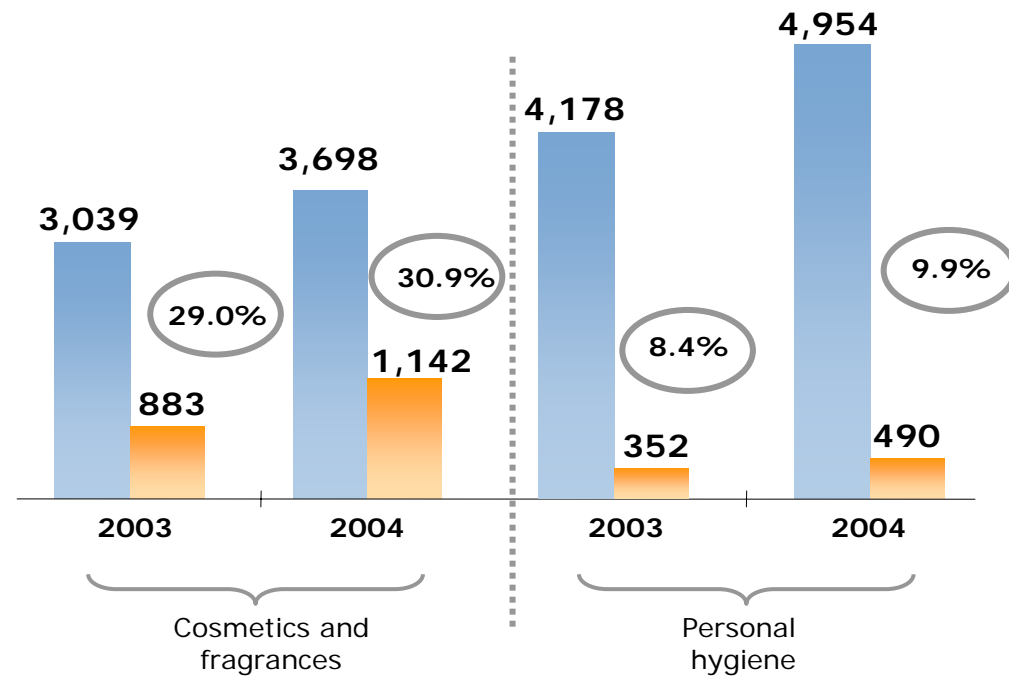
Financial Performance

Net revenues in R\$ million

Target Market*



Target Market* - by Category



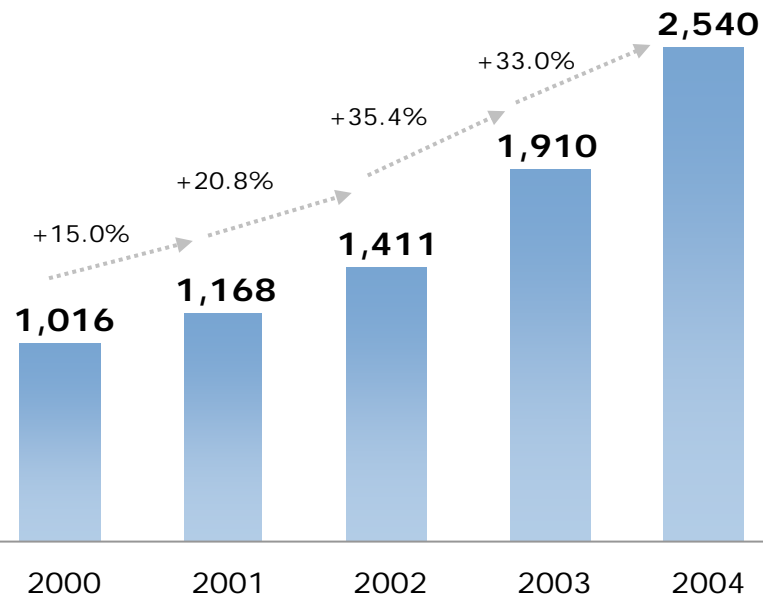
■ Market
 ■ Natura
 ○ Market Share

(*) Considers only segments where Natura operates. Excludes diapers, oral hygiene items, hair dye, nail polishes, sanitary pads among others.
 Note: net revenue at industry prices.
 Source: Sipaesp, ABIHPEC.

Consolidated Gross Revenues

R\$ million

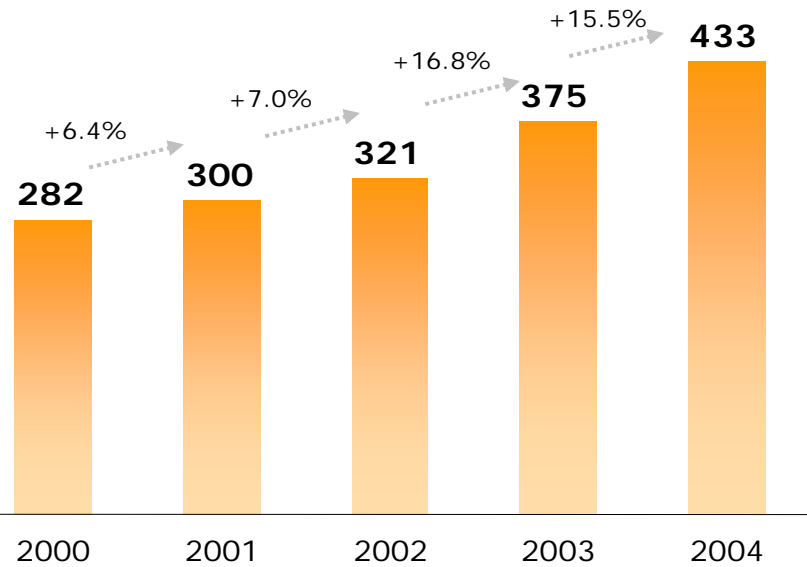
CAGR (00-04) = 25.7%



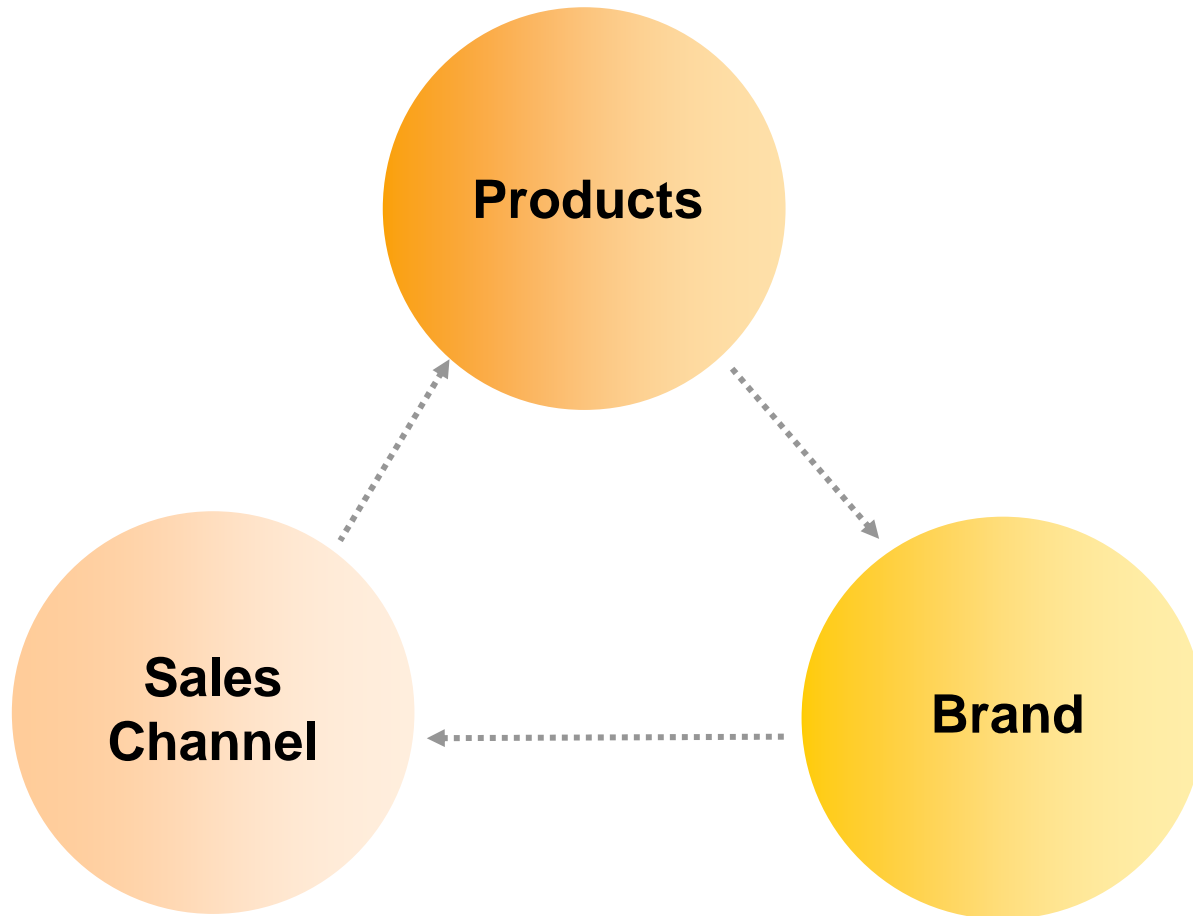
Note: data for 2000 refers to Natura Empreendimentos.

Consolidated Total Number of Consultants - thousands

CAGR (00-04) = 11.3%

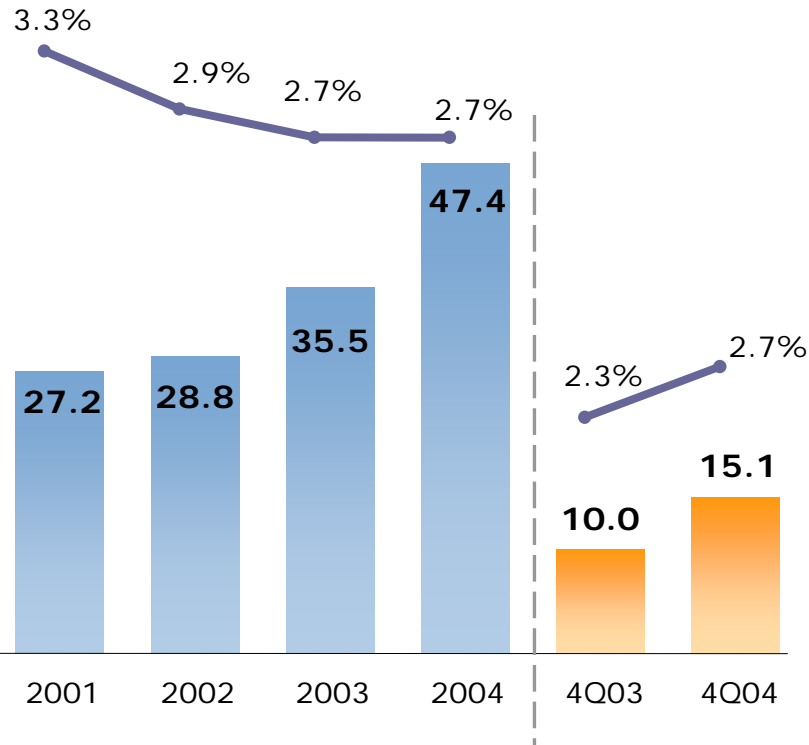


Note: number of consultants at the end of 17th sales cycle.



Investments in Innovation

R\$ million

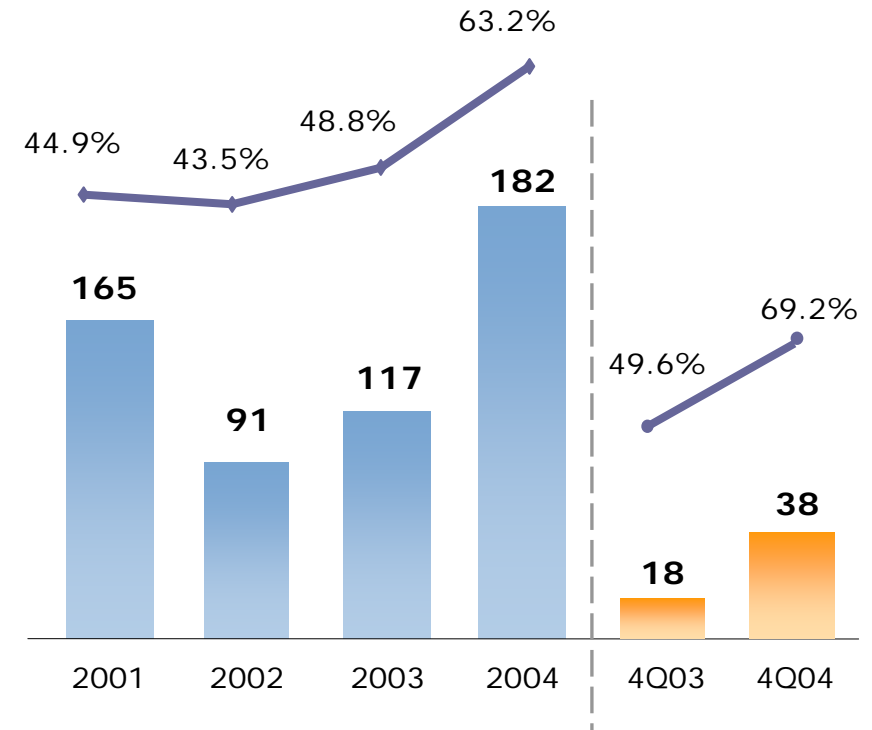


— % Net Revenues


 Investments in Innovation

Number of New Products and Total Innovation Index

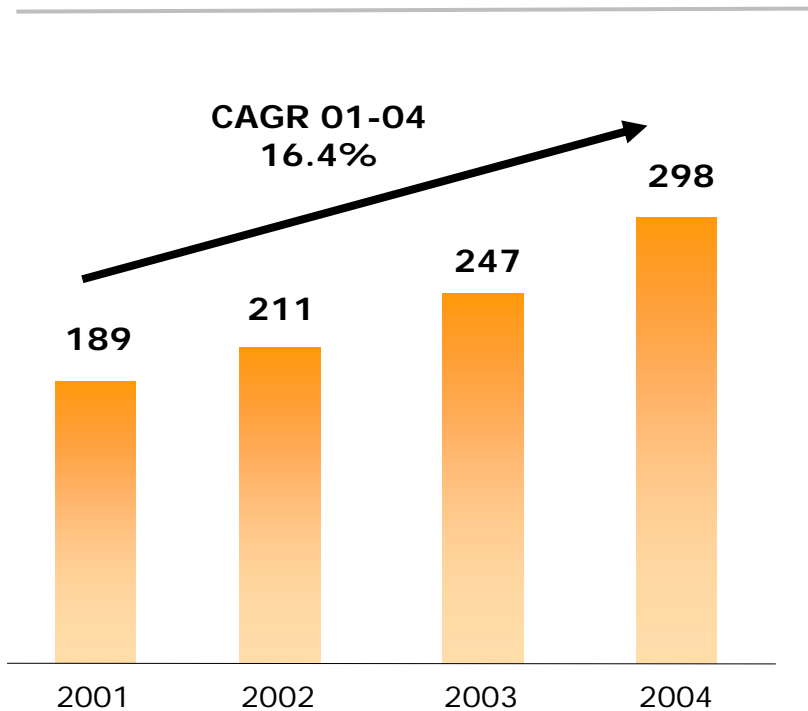
Innovation + Improvement



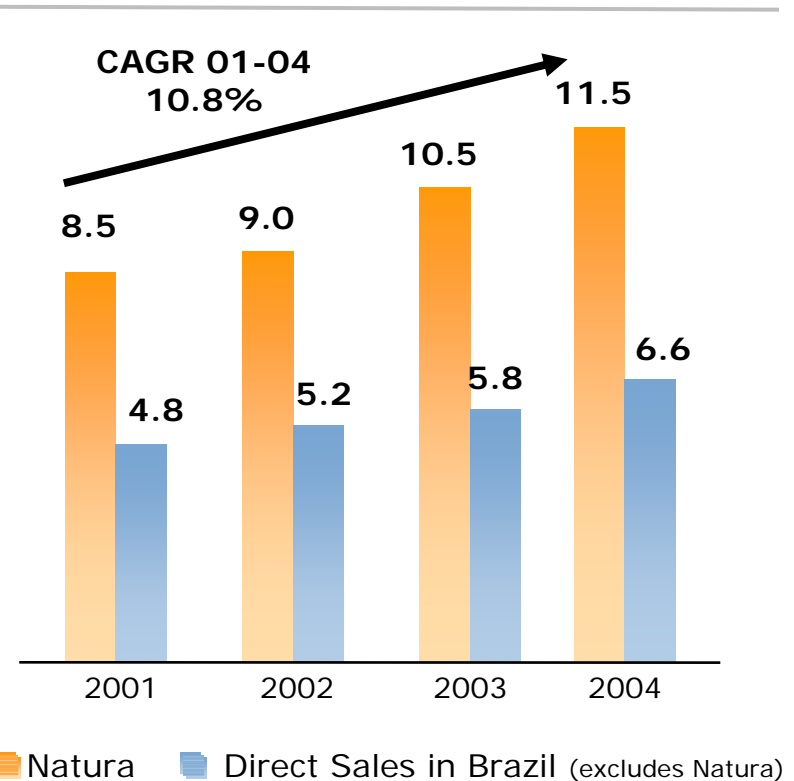
— Total Innovation Index

 Number of New Products

Average Active Consultants thousands



Productivity¹ in Brazil R\$ thousand per average active consultant

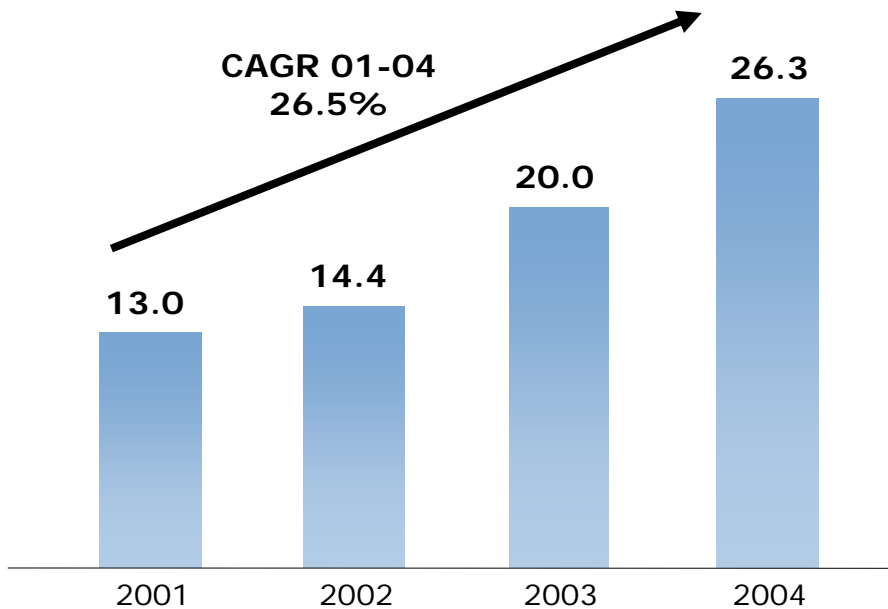


Source: Natura, ABEVD (Brazilian Direct Sales Association)

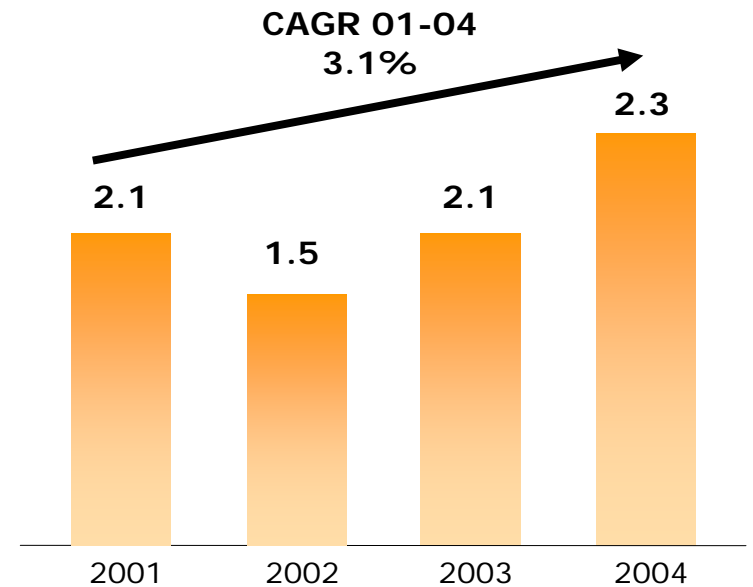
(1) Volume of orders per average active consultants in the periods.

In Latin America, excluding Brazil, the sales channel has been growing in a strong pace.

Consultants¹ International Operations - thousands



Productivity² International Operations - US\$ thousands



(1) Considers the number of available consultants in Argentina, Chile and Peru by the end of the 17th sales cycle.

(2) Volume of orders per average active consultants in the periods.

Top of Mind

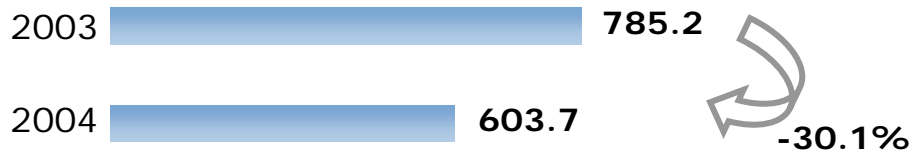
Ranked 1st in "Product and Beauty Moisturizer"



Water consumption per unit sold (liters/unit)



Energy consumption per unit sold (tjoules/unit)

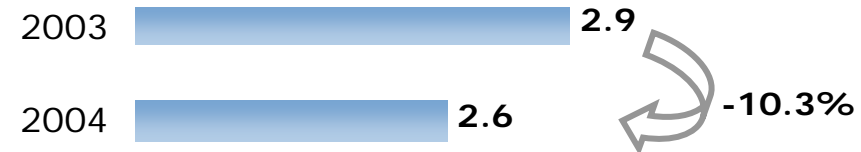


Water re-usage (%)*



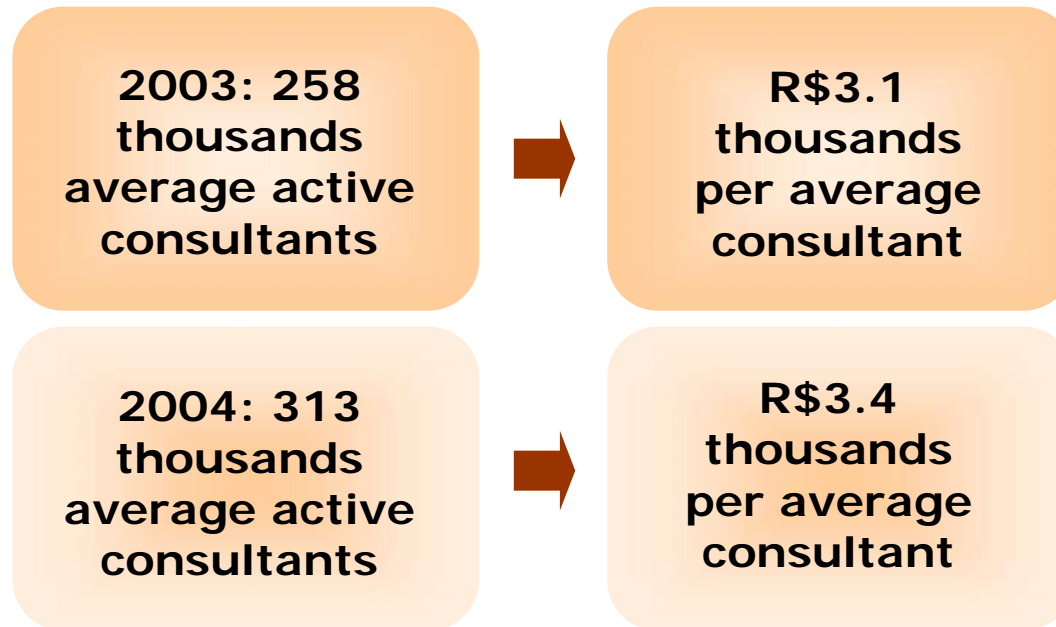
* % of treated water re-usage

Generation of waste per unit sold (gram/unit)



- In 2004, Natura applied to 100% of its product portfolio, the packaging Life Cycle Assessment.

Natura Consultants - Income Generation



Opening Remarks

Core Business



Financial Performance

R\$ million - Consolidated

| 4Q04 | 4Q03 | % change |
|------|------|----------|
| 54 | 41 | 33.8 |
| 564 | 435 | 29.6 |
| 385 | 294 | 30.7 |
| 68.2 | 67.7 | 0.5pp |

Units resold¹

(million of units)

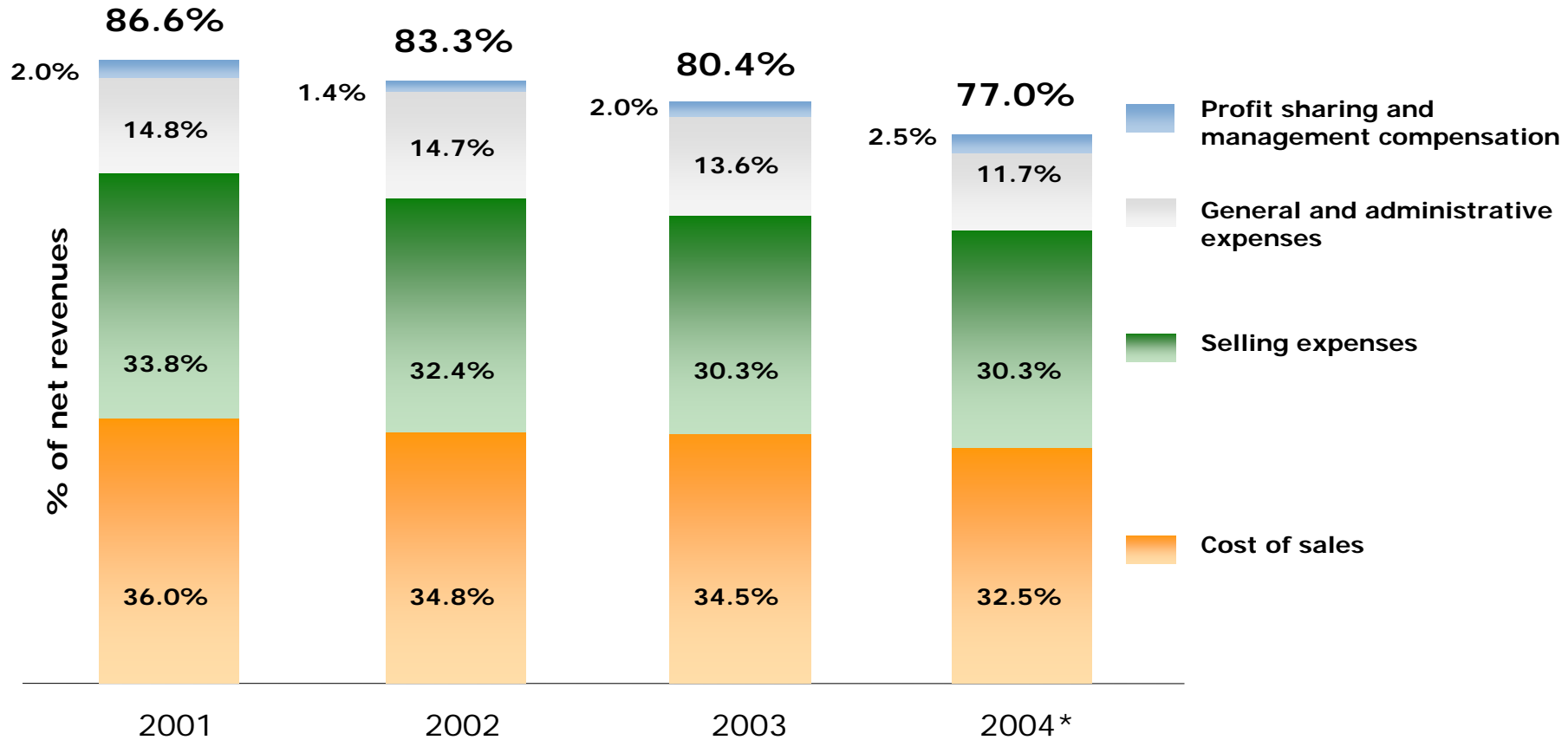
Net revenues

Gross profit

Margin (%)

| 2004 | 2003 | % change |
|-------|-------|----------|
| 177 | 129 | 36.7 |
| 1,770 | 1,329 | 33.2 |
| 1,194 | 871 | 37.2 |
| 67.5 | 65.5 | 2.0pp |

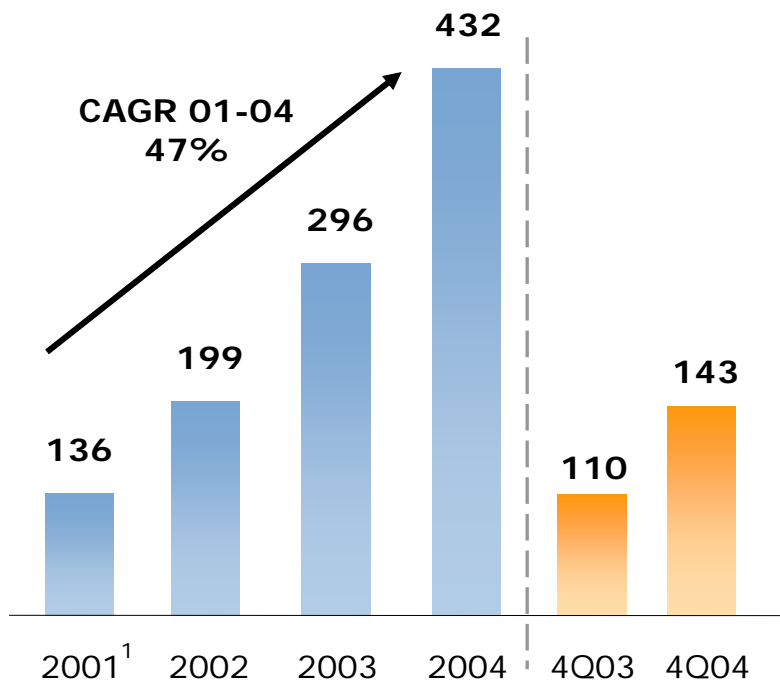
(1) Total consolidated number of CFT products resold by consultants. Therefore, excludes samples, gifts, resale support material, Crer para Ver product line among others.



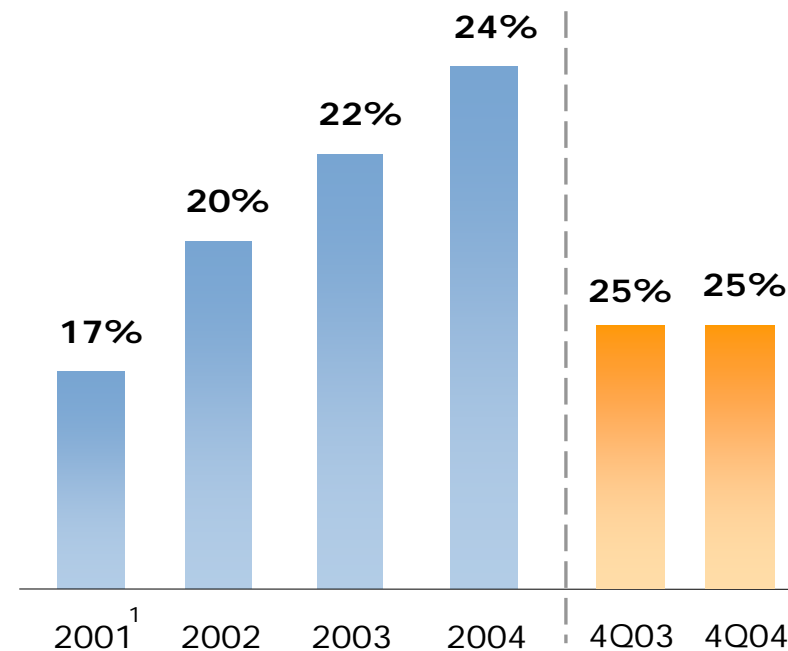
Note: For 2001 Natura Empreendimentos figures.

(*) General and administrative expenses exclude R\$9.3 million from IPO expenses, in 2004.

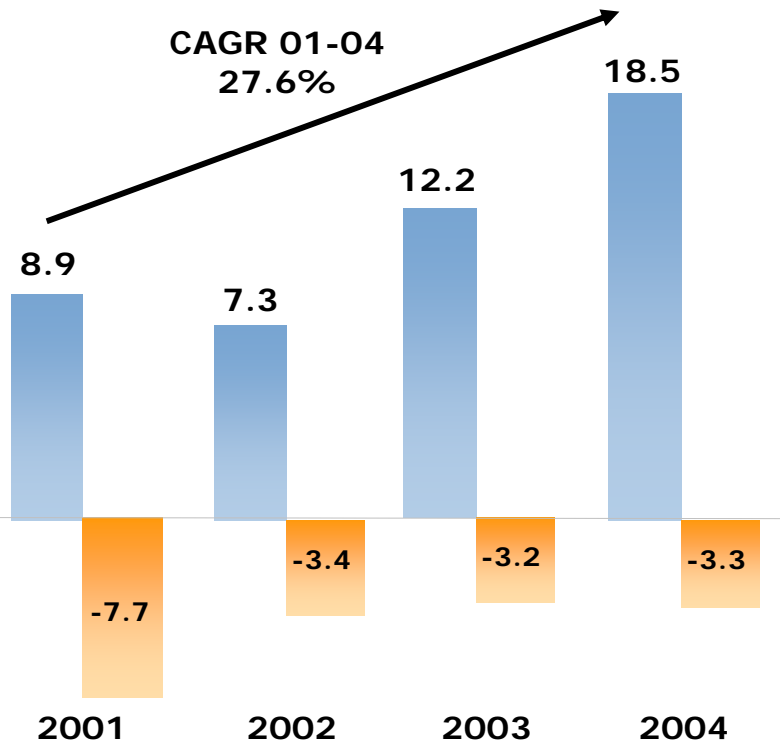
EBITDA - R\$ million



EBITDA Margin - %

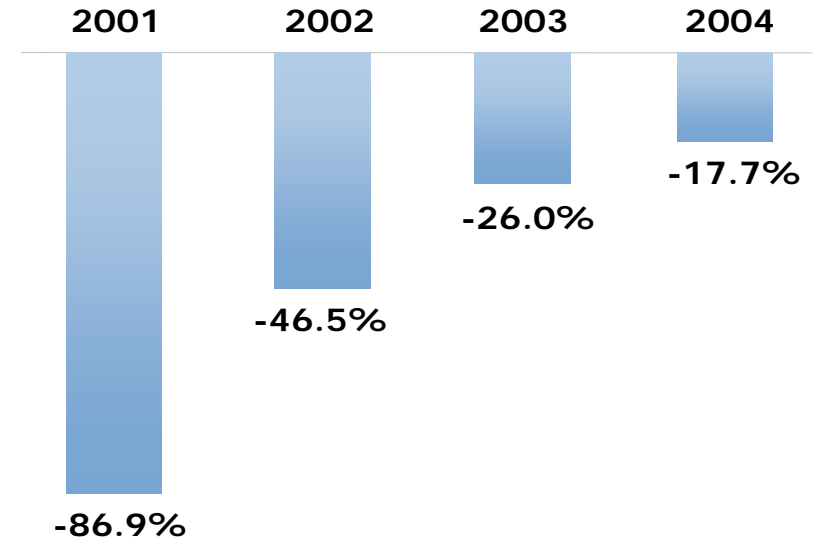


Net Revenues x Losses from Operations - US\$ million

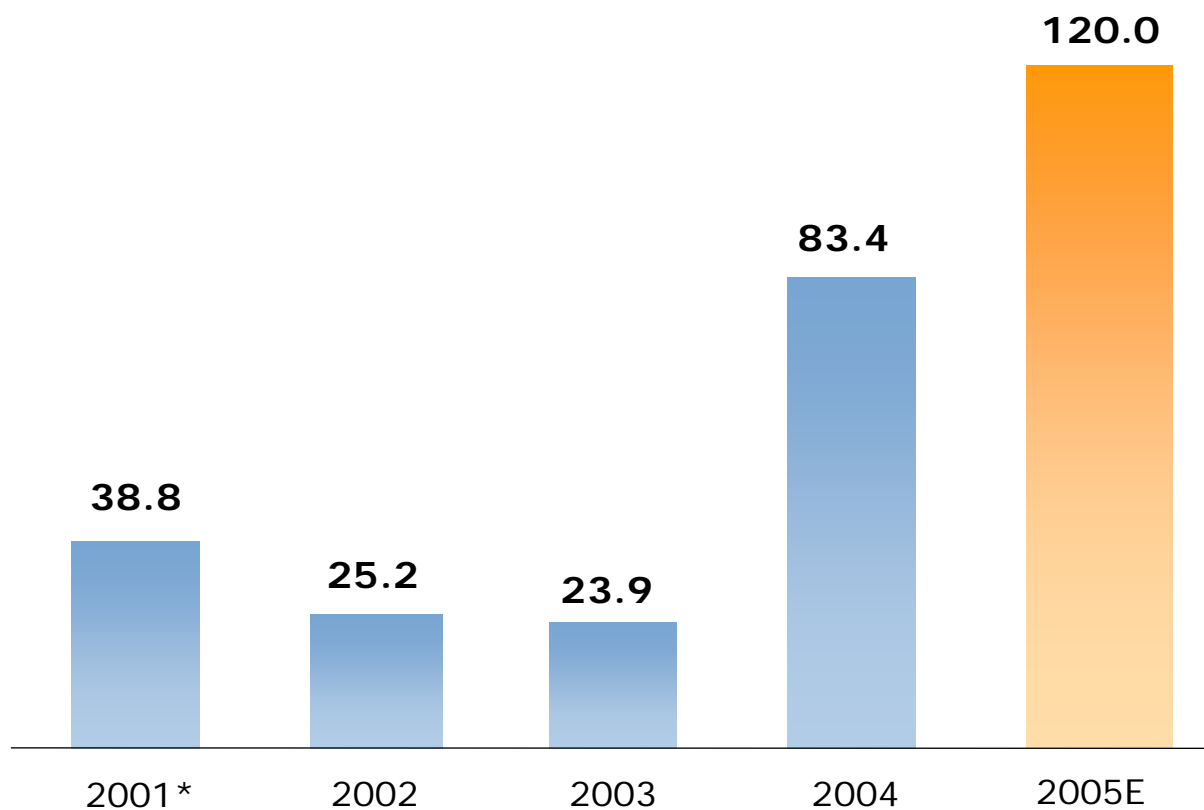


Net revenues Losses from operations

Operational Margin



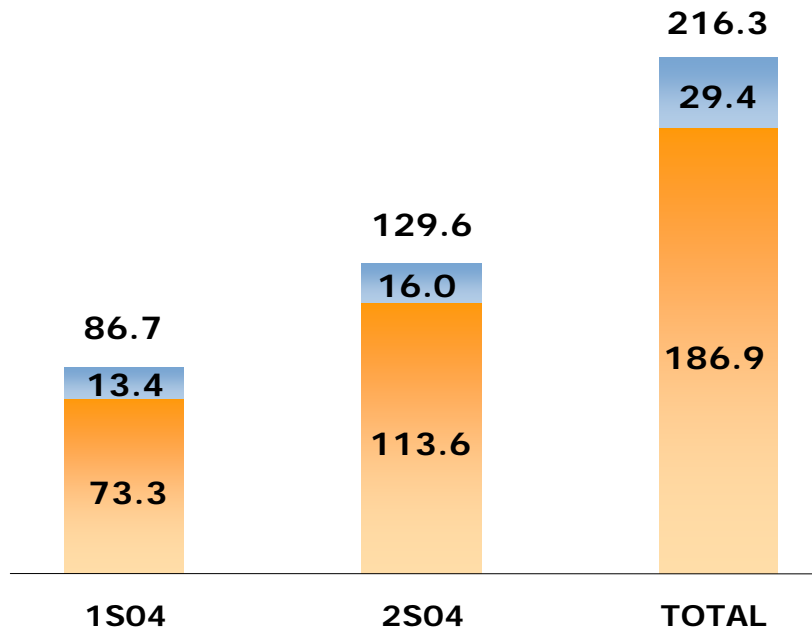
CAPEX - R\$ million



* In 2001 Natura Empreendimentos.

| R\$ million | 2004 | 2003 | % change |
|---|--------------|--------------|--------------|
| Net income for the period | 300.3 | 63.9 | 370.0 |
| (+) Depreciation | 34.3 | 33.7 | 1.8 |
| (+) Other non-cash expenses | 51.0 | 142.6 | -64.2 |
| (=) Cash generated before working capital, long-term receivables and long-term liabilities | 385.6 | 240.2 | 60.5 |
| (-) Changes in working capital, long-term receivables and long-term liabilities | 99.4 | 38.6 | 157.5 |
| (=) Operating cash generation | 286.2 | 201.6 | 42.0 |
| (-) CAPEX and Investments | 83.1 | 23.9 | 247.7 |
| (=) Free cash generation | 203.1 | 177.7 | 14.3 |

Dividends and Interest on capital, gross - R\$ million



■ Interest on capital, gross
 ■ Dividends

Pay-out

| | |
|----------------------|--------|
| Net income | 72.0% |
| Free cash generation | 106.5% |

2004 Dividends + Interest on capital per share:

| | |
|-------|---------|
| Gross | R\$2.55 |
| Net | R\$2.50 |

