

## **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\$ 233,862,055.13 – 428,193,460 Registered Shares of Common Stock [ON]

Authorized Capital: up to 14,117,070 ON shares

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

1. We announce to shareholders that, at the Board of Directors meeting held on February 28, 2007, 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 ended on December 31, 2006 to be held on April 2, 2007:

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

a) dividends referring to the months of July to December 2006, shall be paid to shareholders on April 4, 2007 at the total amount of two hundred, thirteen million, seven hundred, fifty-seven thousand, seventy-one reais and fifty-two centavos (R\$213,757,071.52) corresponding to R\$ 0,500000000 per share, without withholding tax;

b) the referred dividends shall have as calculation basis, the shareholding of March 6, 2007, and as from March 7, 2007, the Company's shares shall be traded as "ex" dividends; and

c) the Company recorded the credits corresponding to dividends on its accounting books on December 31, 2006.

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 wired 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 credit after the third business day from the date of request, 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 that 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.S. located in the Avenida Engenheiro Armando Arruda Pereira, n.º 707, 9º 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 Investor Relations Officer