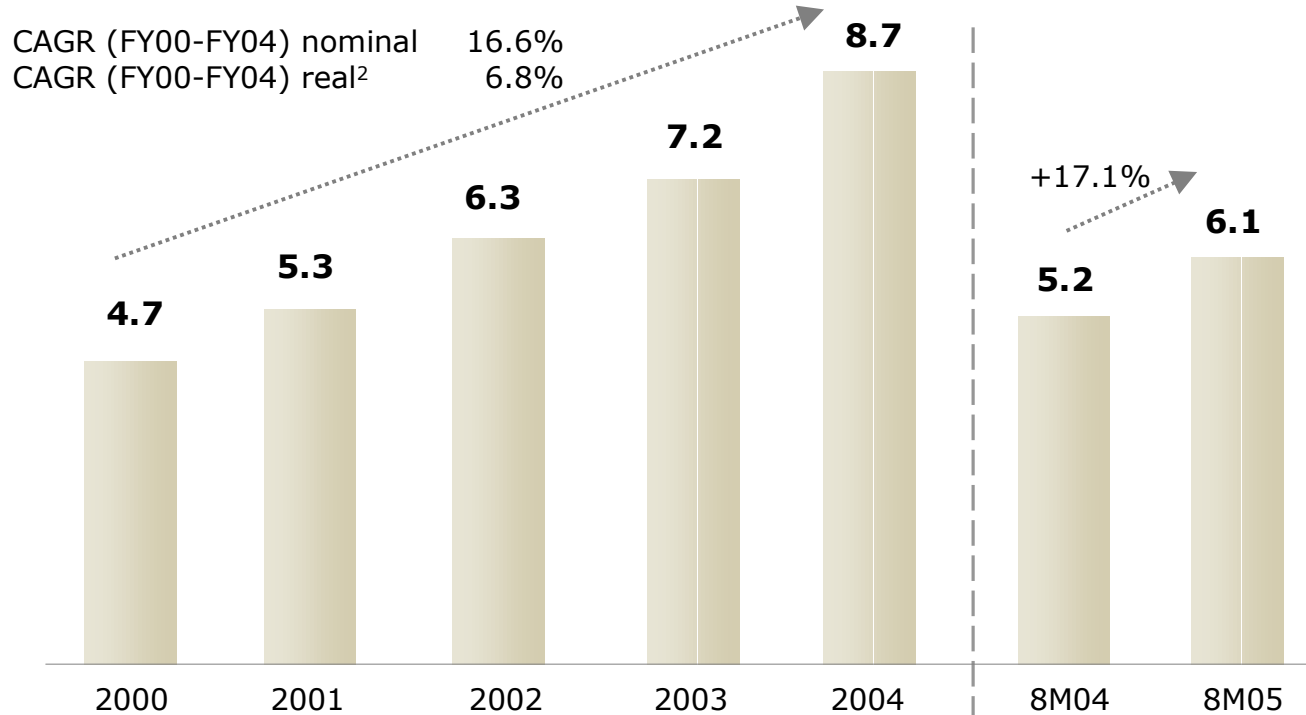




## 3Q05 Earnings Results

October 28, 2005

## Target Market<sup>1</sup> - Net Revenues (R\$ billion, nominal)



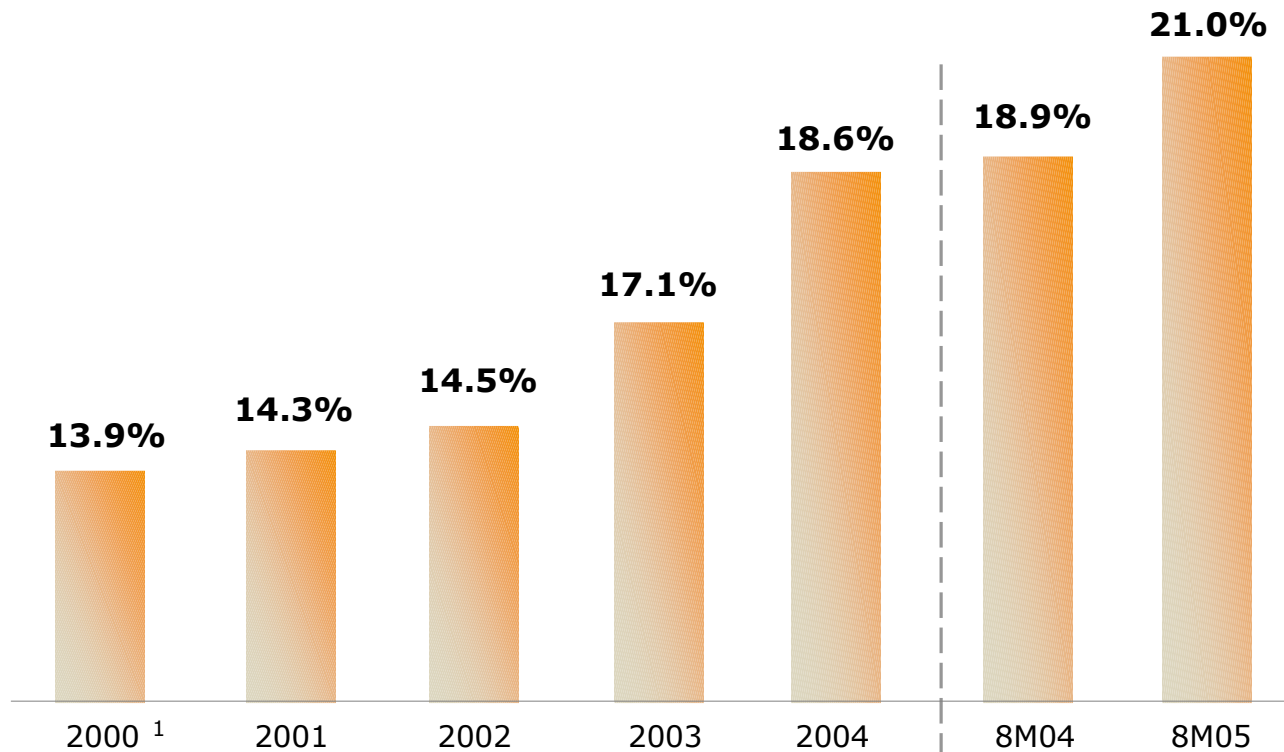
(1) Skin care, sunscreen, makeup, perfums, fragrances, hair care, shaving products and deodorant - excludes diapers, nail polishes, sanitary pads, hair dyes and oral hygiene. Source: Sipatesp/ ABHIPEC

(2) Deflated by IPCA.



# historical figures: Natura's market share CF&T target market - Brazil

## Natura - Market Share (%)

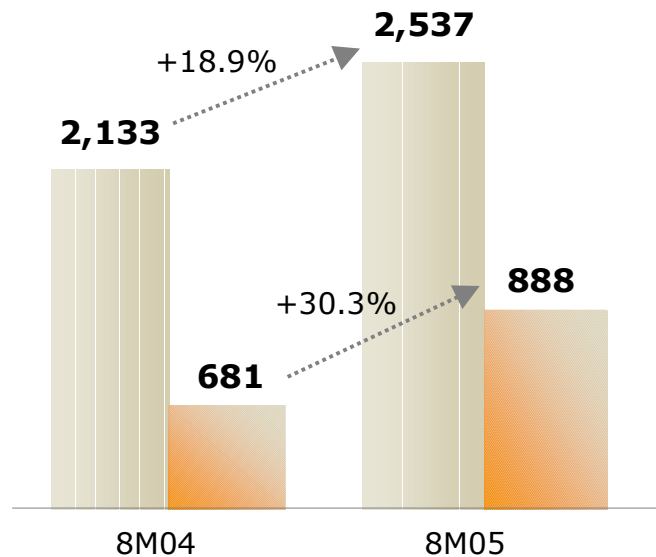


(1) Natura Empreendimentos figures.

Target market: Skin care, sunscreen, makeup, perfums, fragrances, hair care, shaving products and deodorant - excludes diapers, nail polishes, sanitary pads, hair dyes and oral hygiene. Source: Sipatesp/ ABHIPEC

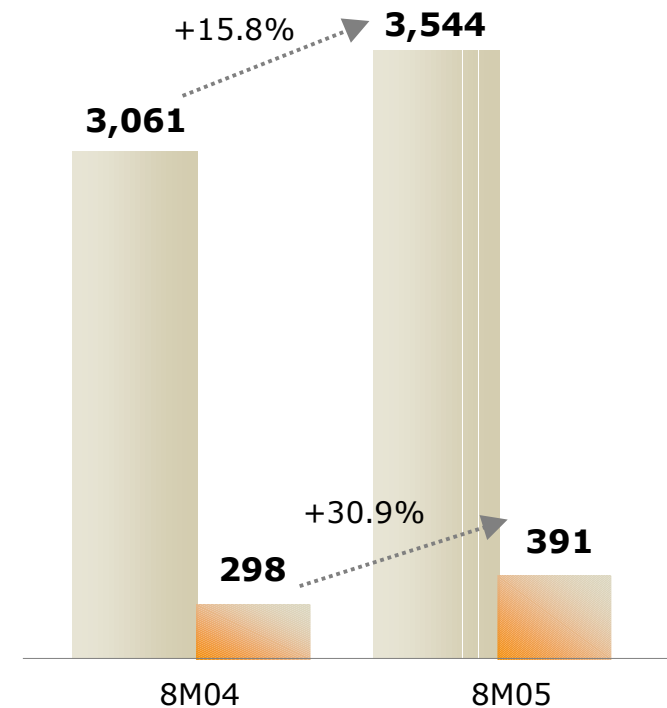
### Cosmetics and Fragrances

R\$ million



### Personal Hygiene

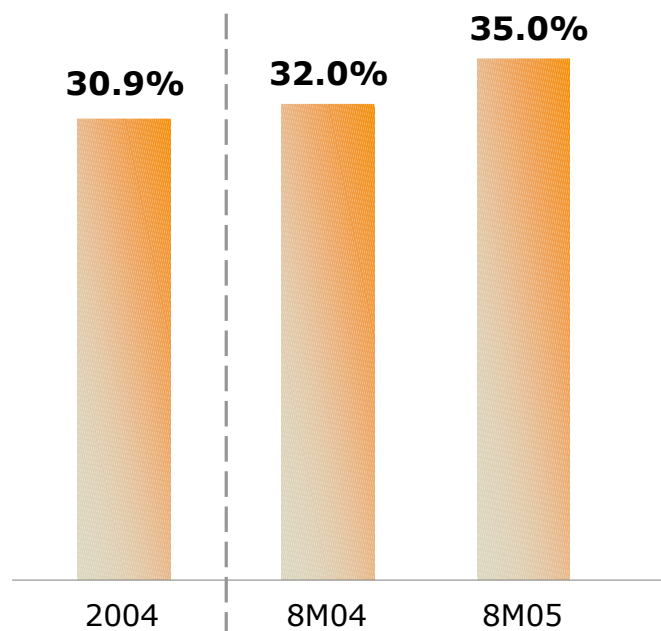
R\$ million



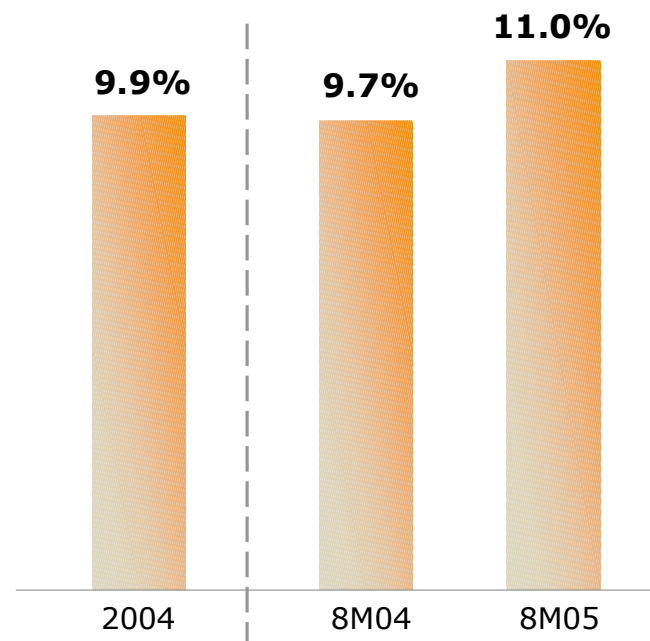
 **Market**
 **Natura**

Target market: Skin care, sunscreen, makeup, perfums, fragrances, hair care, shaving products and deodorant - excludes diapers, nail polishes, sanitary pads, hair dyes and oral hygiene. Source: Sipatesp/ ABHIPEC

## Cosmetics and Fragrances - %



## Personal Hygiene - %



Target market: Skin care, sunscreen, makeup, perfums, fragrances, hair care, shaving products and deodorant - excludes diapers, nail polishes, sanitary pads, hair dyes and oral hygiene. Source: Sipatesp/ ABHIPEC

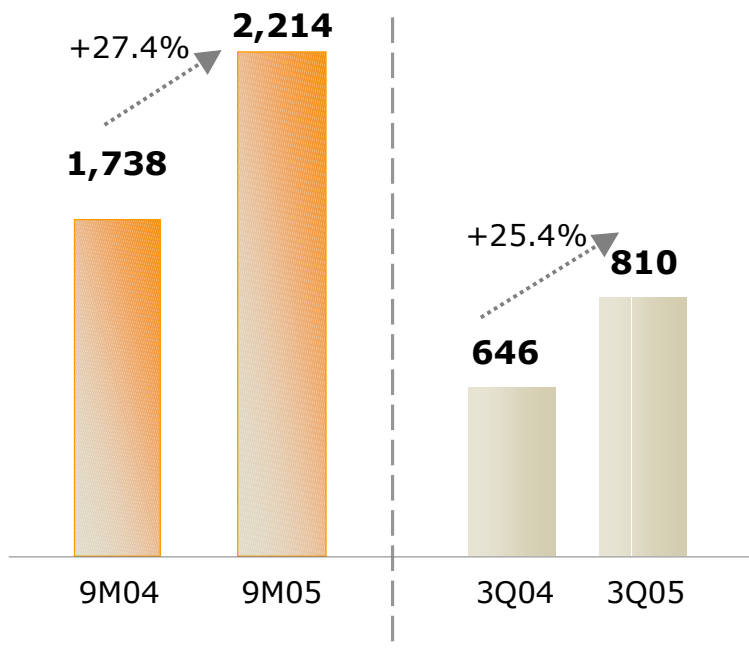


# Natura's gross revenues and total number of consultants - consolidated

## Consolidated Gross Revenues

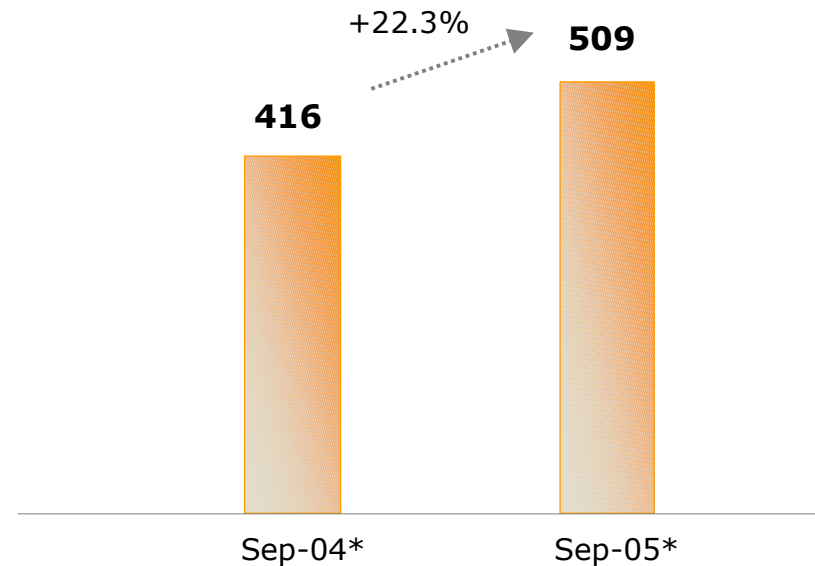
R\$ million

**CAGR (2002-2004) = 34.2%**



## Consolidated Total Number of Consultants - thousands

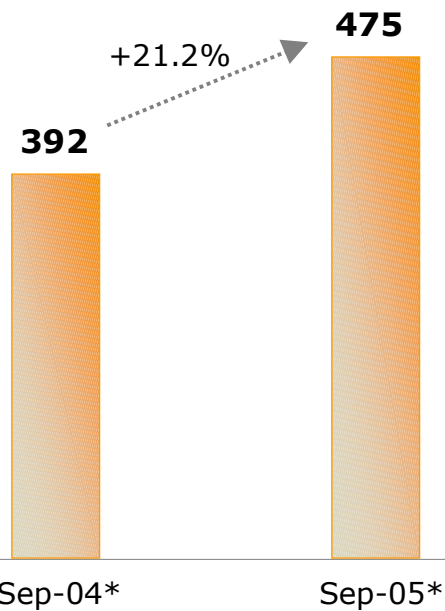
**CAGR (2002-2004) = 16.1%**



(\*) number of consultants at the end of the 13<sup>th</sup> sales cycle.

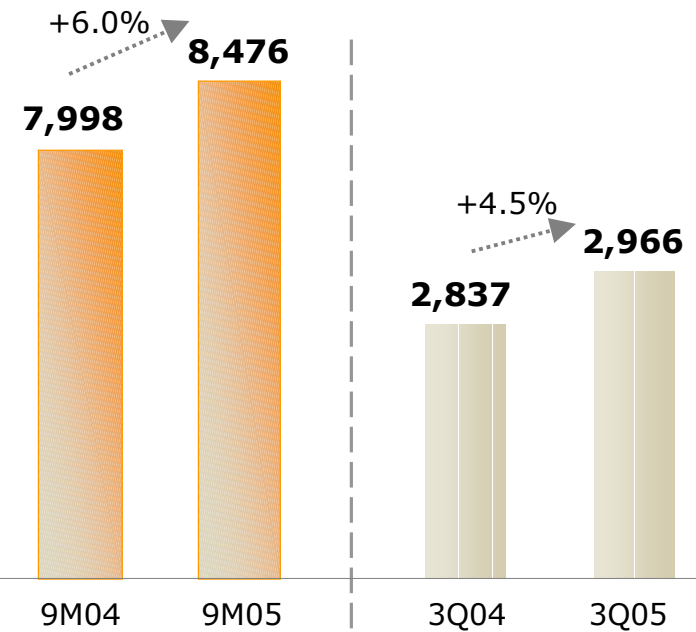
## Consultants in Brazil in thousands

**CAGR (2002-2004) = 15.1%**



## Productivity<sup>1</sup> in Brazil R\$ per average active consultant

**CAGR (2002-2004) = 13.0%**



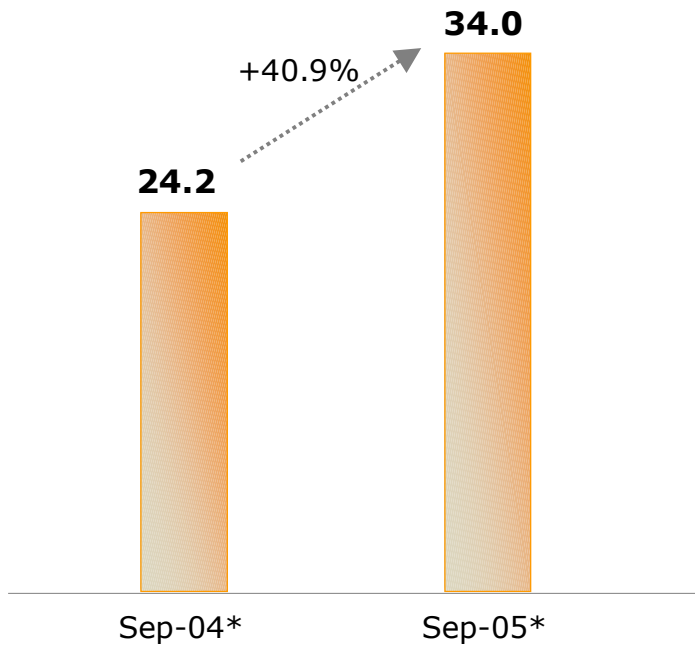
(\*) number of consultants at the end of the 13<sup>th</sup> sales cycle.

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

# Natura's sales channel in Latin America - growth and productivity

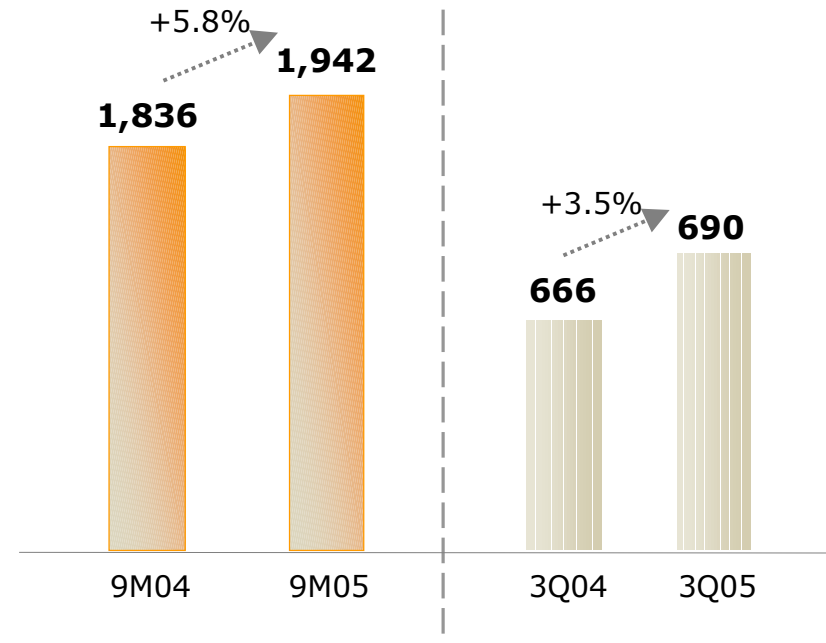
## Consultants<sup>1</sup> International Operations - thousands

CAGR (2002-2004) = 35.1%



## Productivity<sup>2</sup> International Operations - US\$

CAGR (2002-2004) = 24.9%



(\*) number of consultants at the end of the 13<sup>th</sup> sales cycle.

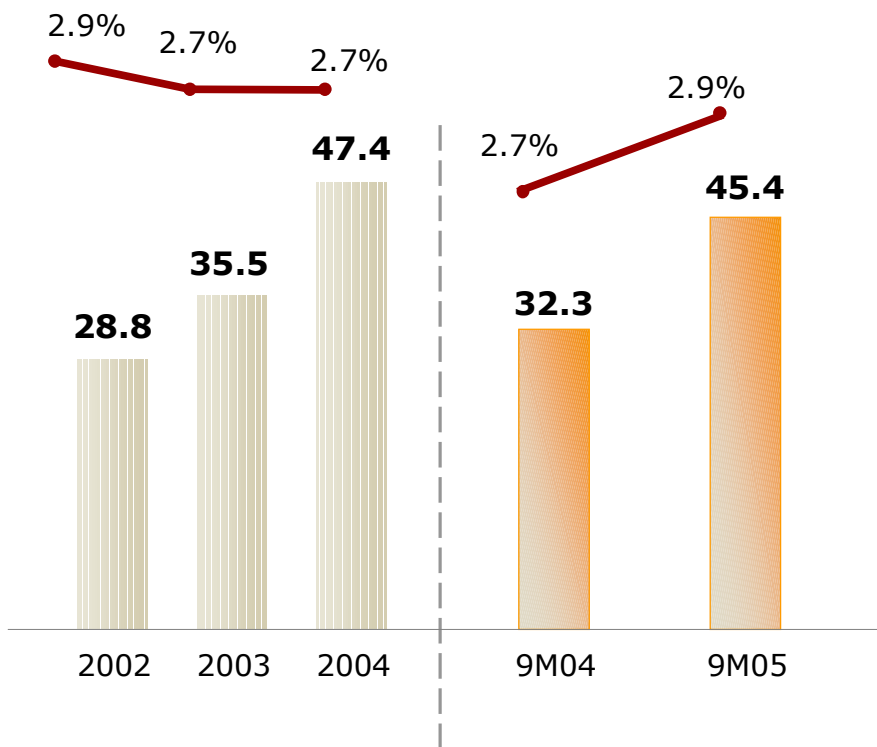
(1) Considers the number of consultants in Argentina, Chile, Peru and Mexico.

(2) Volume of orders per average active consultants in Argentina, Chile and Peru, during the periods.




## Investments in Innovation

R\$ million

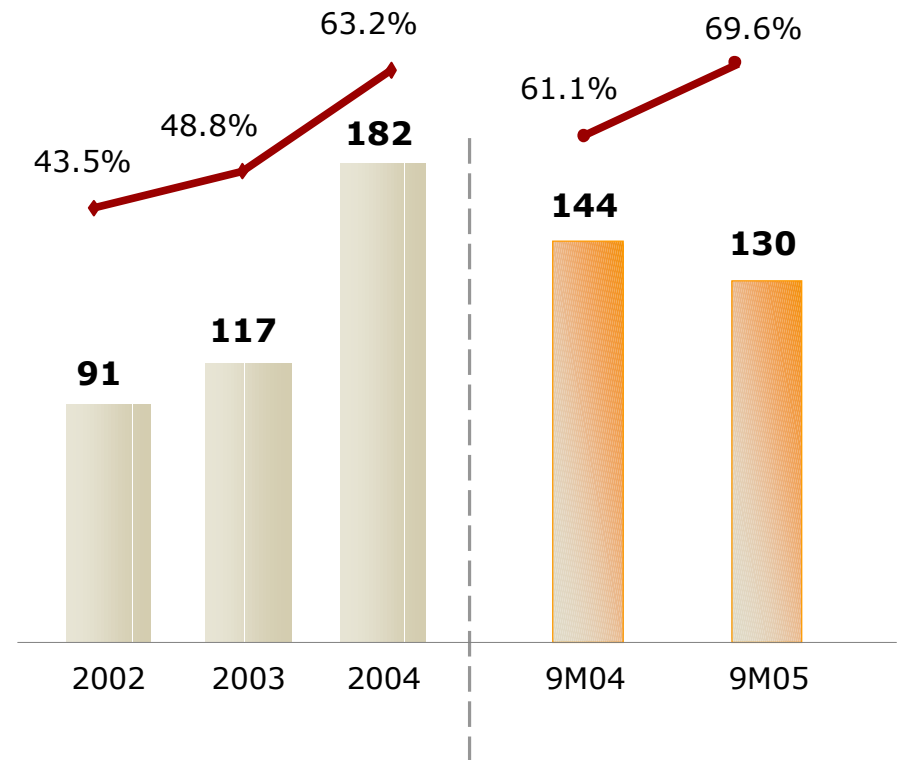


— % of net revenues


 Investments in Innovation

## Number of New Products and Total Innovation Index

(Innovation + Improvement)



— Total Innovation Index

 Number of New Products

## Social Results: Crer para Ver

### Selling of Products from Crer para Ver Line:

	9M05	9M04	05 x 04
Gross revenues (R\$ million)	5.56	4.89	13.7%

## Social Results: EJA (Young and Adults Education Program)

### Number of Enrollments:

Effective enrollments for the Second semester:	35,000	students
Effective enrollments for FY05:	67,000	students

## Environmental Results:

### Life Cycle Assessment (LCA) and Selling of Refill:

Natura's average environmental impact*	9M05 9.6	9M04 10.1
100 % of launched products under LCA packaging analysis		
% of refill over total items sold	9M05 16.5	9M04 16.1

(\*) This indicator considers weighted average environmental impact and number of items sold.



In R\$ million

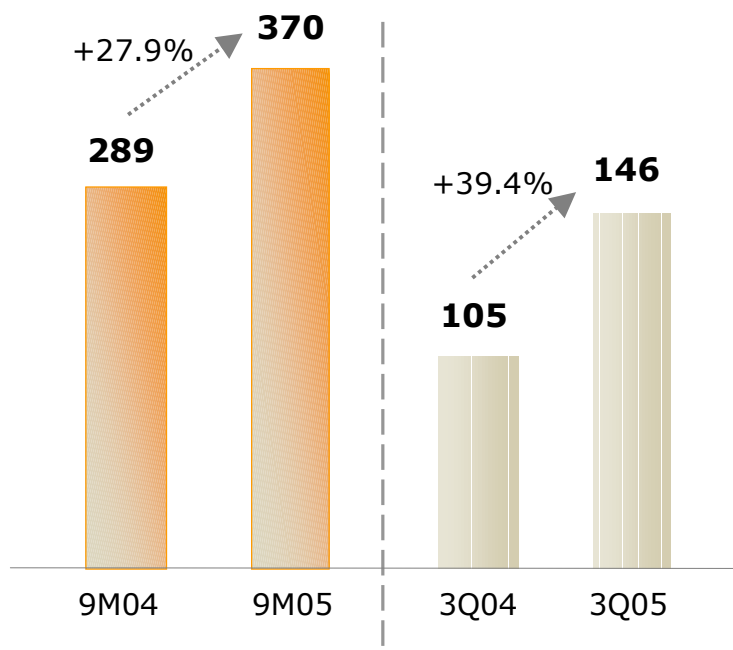
	<b>3Q05</b>	<b>3Q04</b>	<b>% change</b>
Units sold - items for resale Brazil (in millions)	54.1	43.6	24.1
Net revenues	571.4	448.2	27.5
Gross profit	391.7	306.3	27.9
<i>Margin (%)</i>	68.6	68.4	-
EBITDA	145.7	104.5	39.4
<i>Margin (%)</i>	25.5	23.3	-
Net income	100.9	77.4	30.4
<i>Margin (%)</i>	17.7	17.3	-

In R\$ million

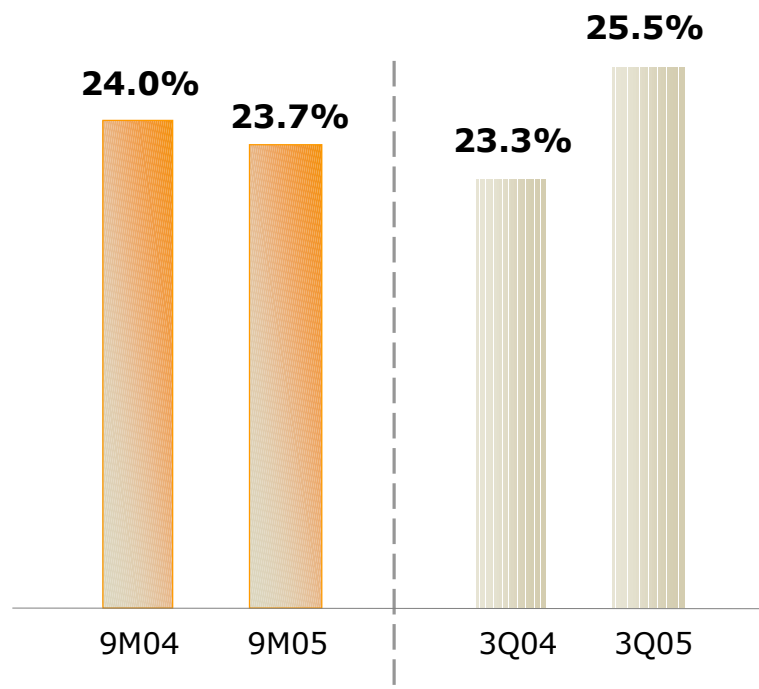
	<b>9M05</b>	<b>9M04</b>	<b>% change</b>
Units sold - items for resale Brazil (in millions)	148.4	119.9	23.8
Net revenues	1,556.2	1,205.9	29.1
Gross profit	1,057.0	809.7	30.5
<i>Margin (%)</i>	<i>67.9</i>	<i>67.1</i>	-
EBITDA	369.6	289.0	27.9
<i>Margin (%)</i>	<i>23.7</i>	<i>24.0</i>	-
Net income	258.4	200.9	28.7
<i>Margin (%)</i>	<i>16.6</i>	<i>16.7</i>	-

## EBITDA - R\$ million

CAGR (2002-2004) = 47.3%

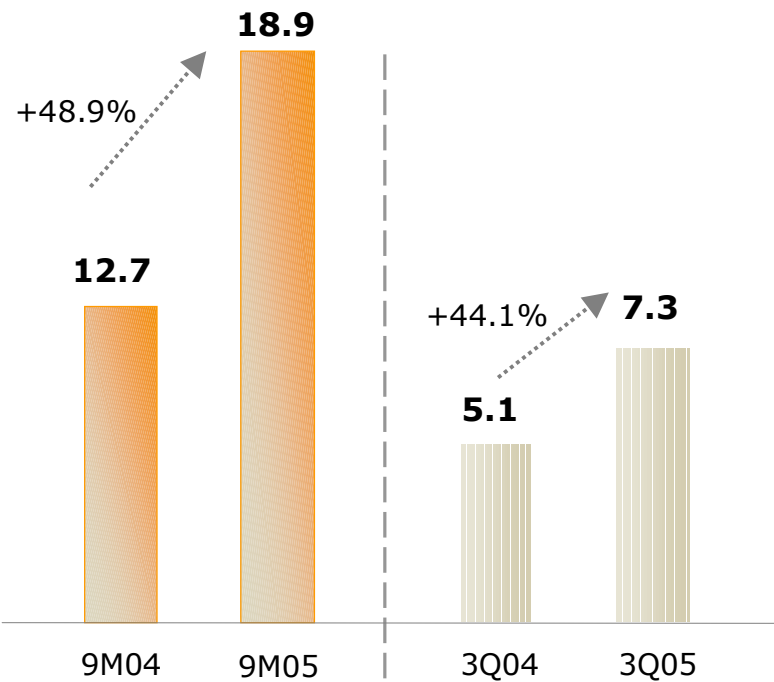


## EBITDA margin- %

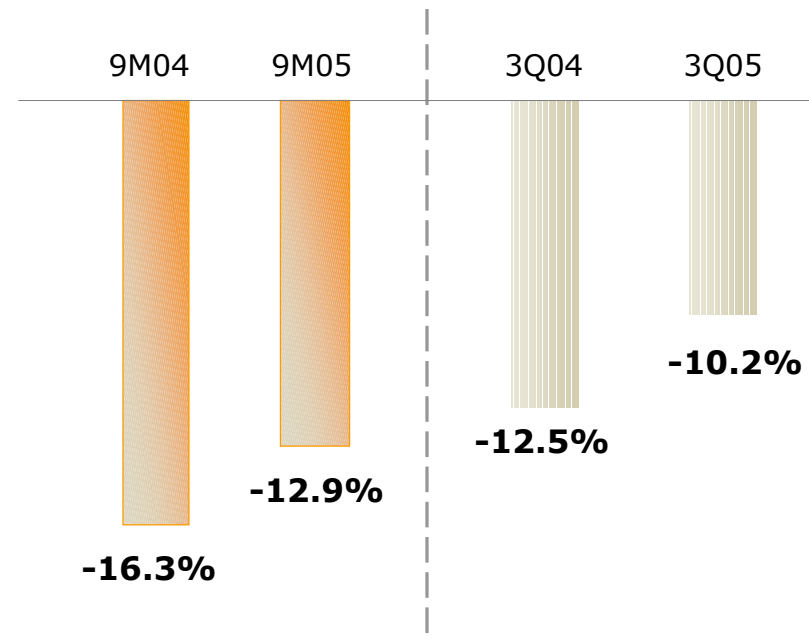


## Net revenues - US\$ million

CAGR (2002-2004) = 59.2%

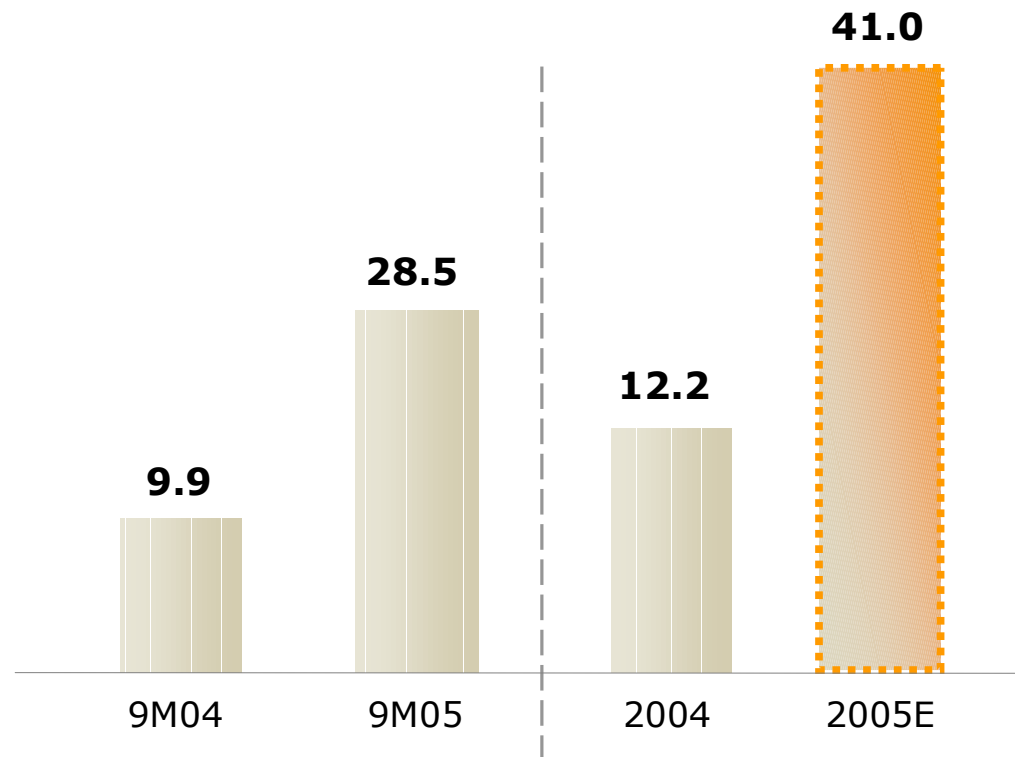


## Operational margin\* - %



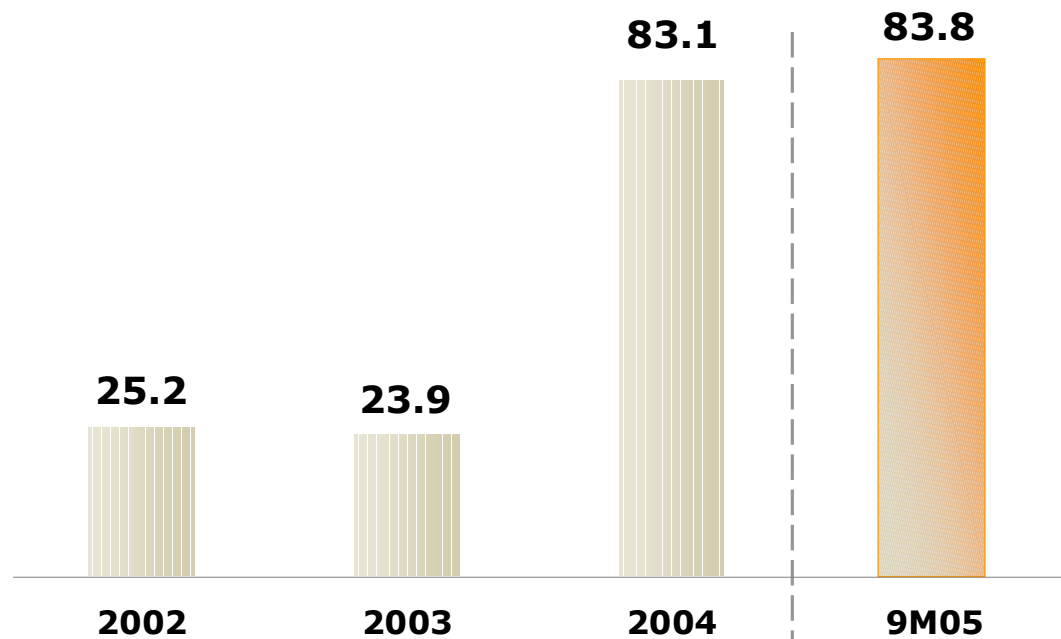
(\*) We started excluding new operations structuring expenses from operating results, in order to better reflect the performance of those more mature operations (Argentina, Chile and Peru).

## Total net expenses\* - R\$ million



(\*): considers operating loss from existing operations (Argentina, Chile and Peru) added to, (i) new operations (Mexico and France); and (ii) exchange rate impact on controlled companies balance sheet translations.

## CAPEX - R\$ million



**2005E : R\$120 million**



R\$ million	9M05	9M04	% change
<b>Net income for the period</b>	<b>258.4</b>	<b>200.9</b>	<b>28.7</b>
(+) Depreciation	31.3	25.8	21.3
(+) Other non-cash expenses	38.4	12.8	200.0
<b>(=) Cash generated before working capital, long-term receivables and long-term liabilities</b>	<b>328.2</b>	<b>239.5</b>	<b>37.0</b>
(-) Changes in working capital, long-term receivables and long-term liabilities	54.8	52.8	3.8
<b>(=) Operating cash generation</b>	<b>273.4</b>	<b>186.6</b>	<b>46.5</b>
(-) CAPEX	83.8	44.1	90.0
<b>(=) Free cash generation</b>	<b>189.6</b>	<b>142.5</b>	<b>33.1</b>



*This presentation contains forward-looking statements. Such statements are not statements of historical fact, and reflect the beliefs and expectations of the Natura's management. The words "anticipates", "wishes", "expects", "estimates", "intends", "forecasts", "plans", "predicts", "projects", "targets" and similar words are intended to identify these statements, which necessarily involve known and unknown risks and uncertainties. Known risks and uncertainties include, but are not limited to, the impact of competitive products and pricing, market acceptance of products, product transitions by the Company and its competitors, regulatory approval, currency fluctuations, production and supply difficulties, changes in product sales mix, and other risks. This presentation also includes pro-forma information prepared by the Company for information and reference purposes only, which has not been audited. Forward-looking statements speak only as of the date they are made, and the Company does not undertake any obligation to update them in light of new information or future developments.*

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