



Chemistry is our world, Responsibility is our way

Notice of Meeting

2009 COMBINED GENERAL MEETING



May 20th, 2009 at 3 p.m. (Paris time)

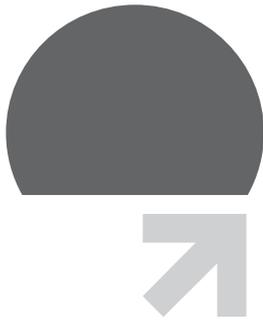
at the "Pavillon d'Armenonville",
Allée de Longchamp, Bois de Boulogne, 75116 PARIS - France



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This notice of meeting is a translation of the French document “*Avis de convocation*” and is being furnished for information purposes only. In all matters of interpretation of information, views or opinions expressed therein, the original French version of the notice takes precedence over this translation.

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Notice of Meeting

**COMBINED GENERAL MEETING
of May 20th, 2009 at 3 pm (Paris Time) - Reception from 2:30 pm onwards**

Dear Shareholders,

I am pleased to send you the notice of meeting for our next Combined Shareholders Meeting which shall be held on 20 May, 2009 at 3 pm at the "Pavillon d'Armenonville" in Paris.

➤ A year of contrasts

2008 was a year of contrasts, with the first part being marked by record highs in raw material and energy prices. Over the entire year, our raw material and energy costs rose by more than €400 million, representing an unprecedented challenge. Due to our solid market positions and a good demand momentum, we managed to raise sale prices by €450 million, which represents more than all the price increases implemented over the past three years, thus offsetting this very unfavorable cost situation.

At the year-end, raw material and energy prices plummeted. At the same time, demand suddenly declined, thus preventing us from taking advantage of the favorable trends in raw material and energy prices since the Group had to use up its costly inventories purchased in previous periods. This dwindling demand observed since mid-November resulted in a 17% decline in our volumes in the 4th quarter that mainly impacted Polyamide, Silcea and, to a lesser extent, Novecare. Moreover, our other Companies were resilient to the economic slowdown.

Finally, the economic slowdown weighed negatively on our profitability, and led to a 10% decrease in recurring EBITDA⁽¹⁾. Net Profit, Group Share, totaled €105 million in 2008, compared to €129 million in 2007.

The measures that we have taken swiftly to adapt ourselves to this situation and maintain cash flow enabled us to generate significant Free Cash Flow in the 4th quarter amounting to €168 million, and thus ensured a positive Free Cash Flow for the full year, amounting to €37 million. Furthermore, Rhodia reported substantial financial resources with long-term maturities and ample liquidity⁽²⁾ of around €1 billion at the end of 2008. We have continued to reduce Net Debt, by 12% compared to the 2007 year-end and one third compared to the 2006 year-end.

➤ Key assets and measures to weather the storm

In the context of widespread economic recession we face currently, we have adopted three priority measures to manage the situation as best as possible. The first consists in prudently implementing our growth strategy while seizing precisely bolt-on targeted opportunities. We recently acquired the U.S. group McIntyre, which will strengthen the positions of Novecare in the resilient cosmetics and detergents market. Expected synergies should allow us to double the EBITDA from acquired activities by 2011.

In addition, in the short term, we are focusing on financial discipline and cash generation by strengthening the temporary measures undertaken at the end of 2008 in order to reduce our expenditure and adjust our production to demand as best as possible. We are also striving to stringently manage our inventories and be extremely selective in our capex management.

Finally, we are also implementing structural competitive measures within our Enterprises, particularly Polyamide, and support Functions in order to reduce our costs by €150 million by 2011 and thereby enhance our competitiveness.

In light of the worldwide economic crisis and the need for strong financial discipline, the Board of Directors agreed to suspend the dividend payment this year.

➤ Our priorities for 2009

As there have been no signs of recovery for the moment, we should focus all our energy on cash generation, in order to maintain our financial robustness and be able to take advantage of a turnaround as soon as it occurs. This is our absolute priority for 2009 and is also reflected in all the measures we take, either temporary or structural, with the utmost determination.

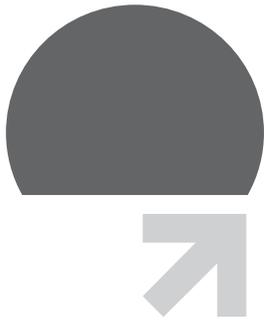
The months to come will be difficult for everyone, but I am convinced that, based on the quality of our business portfolio and our balanced worldwide coverage, Rhodia can emerge stronger out of the crisis. You can count on my personal commitment and the mobilization of Executive Management as well as all our employees to ensure that our Group succeeds in overcoming this new challenge.

I would like to thank you for your support and the trust you continue to show us and hope to see you at our next Annual General Meeting on May 20, 2009.

Jean-Pierre Clamadieu
Chairman and Chief Executive Officer

(1) On a constant Group structure and exchange rate basis.

(2) Sum of cash and cash equivalents, other current financial assets and the un-drawn part of the credit line.



Administration, management and control

➤ The Board of Directors

PRESENT BOARD MEMBERS

➤ MR. JEAN-PIERRE CLAMADIEU

(born on August 15, 1958)

Appointment by the Board of Directors meeting of October 3, 2003

Ratification of the appointment by the general shareholders' meeting of March 31, 2004

Renewal of the position by the general shareholders' meeting of June 23, 2005

Appointment terminates after the general shareholders' meeting called to approve the financial statements for 2008.

POSITIONS AND OTHER OFFICES IN FRENCH AND FOREIGN COMPANIES:

Current positions:

In France:

Delegate of the Manager of Rhodia Participations (Rhodia)

Director of Faurecia and SNCF

Positions during the last five years, no longer exercised:

Director of various subsidiaries of Rhodia Group

NUMBER OF RHODIA SHARES HELD:

103,934

He also holds 18,388 shares in the mutual fund "Actions Rhodia" from the Employee Stock Ownership Program corresponding to the same number of Rhodia shares

PROFESSIONAL ACTIVITIES DURING THE LAST FIVE YEARS:

Chairman and Chief Executive Officer of Rhodia since March 17, 2008

Chief Executive Officer of Rhodia from October 3, 2003 to March 17, 2008

Chairman of Rhodia from October 3, 2003 to March 30, 2004

➤ MR. ALDO CARDOSO

(born on March 7, 1956)

Appointment by the Board of Directors meeting of July 28, 2004

Ratification of the appointment by the general shareholders' meeting of June 23, 2005

Renewal of the appointment by the general shareholders' meeting of June 23, 2005

Appointment terminates after the general shareholders' meeting called to approve the financial statements for 2008.

POSITIONS AND OTHER OFFICES IN FRENCH AND FOREIGN COMPANIES:

Current positions:

In France:

Director of GDF SUEZ, Gecina and Imerys

Censor of Bureau Véritas and Axa Investment Managers

Outside France:

Director of Mobistar (Belgium)

Positions during the last five years, no longer exercised:

Director of Penauille Polyservices (from June 2004 to June 2005), of Axa Investment Managers, Orange and Accor

NUMBER OF RHODIA SHARES HELD:

2,156



➤ **MR. PASCAL COLOMBANI**

(born on October 14, 1945)

Appointment by the general shareholders' meeting of June 23, 2005
Appointment terminates after the general shareholders' meeting called to approve the financial statements for 2008

POSITIONS AND OTHER OFFICES IN FRENCH AND FOREIGN COMPANIES:

Current positions:

In France:

Director of Alstom S.A., Technip S.A. and Valeo S.A.

Outside of France:

Director of British Energy Group plc (United Kingdom)

Positions during the last five years, no longer exercised:

Director of the *Institut Français du Pétrole* (2001-2006)

Chairman of *Association Française pour l'Avancement des Sciences* (2003-2006)

NUMBER OF RHODIA SHARES HELD:

1,157

PROFESSIONAL ACTIVITIES DURING THE LAST FIVE YEARS:

Senior Advisor of A. T. Kearney since 2003

Senior Advisor of Arjil Banque

Senior Advisor of Detroyat & Associés

➤ **MR. JÉRÔME CONTAMINE**

(born on November 23, 1957)

Appointment by the general shareholders' meeting of March 31, 2004
Renewal of the appointment by the general shareholders' meeting of May 16, 2008

Appointment terminates after the general shareholders' meeting called to approve the financial statements for 2011

POSITIONS AND OTHER OFFICES IN FRENCH AND FOREIGN COMPANIES:

Current positions:

In France:

Director of Valeo S.A.

Positions during the last five years, no longer exercised:

In France:

Director of various subsidiaries of Groupe Veolia Environnement

Outside of France:

Director of various subsidiaries of Groupe Veolia Environnement

NUMBER OF RHODIA SHARES HELD:

1,250

PROFESSIONAL ACTIVITIES DURING THE LAST FIVE YEARS:

Executive Vice President; Chief Financial Officer of Sanofi-Aventis (since March 16, 2009)

Executive General Manager of Veolia Environnement (from May 2003 to January 2009)



ADMINISTRATION, MANAGEMENT AND CONTROL

➤ **MS. LAURENCE DANON**

(born on January 6, 1956)

Appointment by the general shareholders' meeting of May 16, 2008

Appointment terminates after the general shareholders' meeting called to approve the financial statements for 2011

POSITIONS AND OTHER OFFICES IN FRENCH AND FOREIGN COMPANIES:

Current positions:

In France:

Director of Plastic Omnium S.A.

Outside of France:

Director of Diageo Plc and Experian Plc

Positions during the last five years, no longer exercised:

In France:

Director of Lafuma

NUMBER OF RHODIA SHARES HELD:

1,000

PROFESSIONAL ACTIVITIES DURING THE LAST FIVE YEARS:

Member of the executive committee of Edmond de Rothschild Corporate Finance

Chief Executive Officer of Printemps (2001 – February 2007)

➤ **MR. MICHEL DE FABIANI**

(born on June 17, 1945)

Appointment by the Board of Directors meeting of April 29, 2003

Ratification and renewal of the appointment by the general shareholders' meeting of March 31, 2004

Renewal of the appointment by the general shareholders' meeting of May 16, 2008

Appointment terminates after the general shareholders' meeting called to approve the financial statements for 2011

POSITIONS AND OTHER OFFICES IN FRENCH AND FOREIGN COMPANIES:

Current positions:

In France:

Vice-President of the Franco-British Chamber of Commerce and Industry

Chairman of Hertford British Hospital Corporation

Director of BP France

Member of the supervisory board of Vallourec

Outside of France:

Director of Star Oil Mali, SEMS Morocco and EB Trans Luxembourg

Positions during the last five years, no longer exercised:

In France:

Director of *Institut Français du Pétrole*

NUMBER OF RHODIA SHARES HELD:

3,125

PROFESSIONAL ACTIVITIES DURING THE LAST FIVE YEARS:

Chairman and Chief Executive Officer of BP France (from 1995 to 2004)

Vice-President of Europe Groupe BP (from 1999 to 2004)



➤ **MR. JACQUES KHÉLIFF**

(born on October 19, 1953)

Appointment by the general shareholders' meeting of June 23, 2005
Appointment terminates after the general shareholders' meeting called to approve the financial statements for 2008

NUMBER OF RHODIA SHARES HELD:

17,590

He also holds 363 shares in the mutual fund "Actions Rhodia" under the Employee Stock Ownership Program corresponding to the same number of Rhodia shares.

PROFESSIONAL ACTIVITIES DURING THE LAST FIVE YEARS:

Manager of Sustainable Development of Rhodia since October 2003

➤ **MR. OLIVIER LEGRAIN**

(born on September 30, 1952)

Appointment by the general shareholders' meeting of June 23, 2005
Appointment terminates after the general shareholders' meeting called to approve the financial statements for 2008

POSITIONS AND OTHER OFFICES IN FRENCH AND FOREIGN COMPANIES:

Current positions:

In France:

Chairman and Chief Executive Officer of Materis since January 2001
Chairman of Materis SAS, Materis Corporate Services SAS, Materis Adjuvants SAS, Materis Aluminates SAS, Parex Group SAS, Materis Paints SAS, Chryso SAS, Materis Peintures SAS
Chairman and Chief Executive Officer of Kerneos S.A., Director of ParexLanko S.A., Parrot, Terreal
Chairman of Solaire SAS, Trèfle SAS and Trèfle 2
Manager of Solaire Production SARL

Outside of France:

Chairman of Materis Holding Luxembourg, S.A.
Manager of Materis Luxembourg SARL
Member of the Board of Management of Materis Parent SARL (Luxembourg)

NUMBER OF RHODIA SHARES HELD:

227

PROFESSIONAL ACTIVITIES DURING THE LAST FIVE YEARS:

Chairman and Chief Executive Officer of Materis since January 2001

➤ **MR. FRANCIS MER**

(born on May 25, 1939)

Appointment by the Board of Directors meeting of May 13, 2004
Ratification of the appointment by the general shareholders' meeting dated June 23, 2005

Renewal of the appointment by the general shareholders' meeting of June 23, 2005

Appointment terminates after the general shareholders' meeting called to approve the financial statements for 2008

POSITIONS AND OTHER OFFICES IN FRENCH AND FOREIGN COMPANIES:

Current positions:

In France:

Chairman of the supervisory board of SAFRAN

Outside of France:

Director of Adecco (Switzerland)

Positions during the last five years, no longer exercised:

In France:

Chairman of the supervisory board of the Foundation for Innovation Policy (*Fondation pour l'Innovation Politique*)

Director of Alstom

Outside of France:

Director of Inco (Canada)

NUMBER OF RHODIA SHARES HELD:

116

PROFESSIONAL ACTIVITIES DURING THE LAST FIVE YEARS:

Minister of Economy, Finance and Industry (from May 7, 2002 to March 30, 2004)



ADMINISTRATION, MANAGEMENT AND CONTROL

➤ MR. YVES RENÉ NANOT

(born on March 27, 1937)

Appointment by the Board of Directors meeting of October 25, 2002

Ratification of the appointment by the general shareholders' meeting of April 29, 2003

Renewal of the appointment by the general shareholders' meeting of March 31, 2004

Renewal of the appointment by the general shareholders' meeting of May 16, 2008

Appointment terminates after the general shareholders' meeting called to approve the financial statements for 2011

POSITIONS AND OTHER OFFICES IN FRENCH AND FOREIGN COMPANIES:

Current positions:

In France:

Chairman and Chief Executive Officer of Ciments Français

Director of Provimi

Outside of France:

Director of Italcementi (Italy) and of the subsidiaries of Ciments Français: Essroc (USA), Cimar (Morocco), Zuari Cement Ltd (India), Set Group Holding (Turkey), Asia Cement Public Co Ltd (Thailand), Suez Cement Co (Egypt)

Positions during the last five years, no longer exercised:

Director of Centre Technique Group S.p.A. and Imerys

NUMBER OF RHODIA SHARES HELD:

11,000

PROFESSIONAL ACTIVITIES DURING THE LAST FIVE YEARS:

Chairman and Chief Executive Officer of Ciments Français (since July 1993)

Chairman of the Board of Directors of Rhodia (from March 31, 2004 to March 17, 2008)

Vice President of Rhodia (from October 3, 2003 to March 30, 2004)

PRESENTATION OF THE CANDIDATE FOR THE BOARD OF DIRECTORS

➤ MR. PATRICK BUFFET

(born on October 19, 1953)

LIST OF DIRECTORSHIPS AND OTHER POSTS IN FRENCH AND FOREIGN COMPANIES:

Current positions:

In France:

Chairman and Chief Executive Officer of Le Nickel (Eramet Group)

Director of Comilog (Eramet Group)

Member of the supervisory board of Bureau Véritas and Arcole Industries

Outside of France:

Director of Banimmo (Belgium)

Positions during the last five years, no longer exercised:

In France:

Member of the supervisory board of Areva (from 2001 to April 2007)

NUMBER OF RHODIA SHARES HELD:

-

PROFESSIONAL ACTIVITIES OVER THE PAST FIVE YEARS:

Chairman and Chief Executive Officer of ERAMET Group (since April 2007)

General Delegate, Member of the executive committee of Suez (from 2001 to April 2007)



PRESENTATION OF THE CANDIDATES FOR THE BOARD OF DIRECTORS REPRESENTING EMPLOYEE SHAREHOLDERS

➤ MR. JACQUES KHELIFF

(born on October 19, 1953)

Appointment by the general shareholders' meeting of June 23, 2005

Appointment terminates after the general shareholders' meeting called to approve the financial statements for 2008

NUMBER OF RHODIA SHARES HELD:

17,590

He also holds 363 shares in the mutual fund "Actions Rhodia" under the Employee Stock Ownership Program corresponding to the same number of Rhodia shares.

PROFESSIONAL ACTIVITIES DURING THE LAST FIVE YEARS:

Manager of Sustainable Development of Rhodia since October 2003

➤ MS. MARIELLE MARTINY

(born on March 8, 1964)

NUMBER OF RHODIA SHARES HELD:

16

She also holds 211 shares in the mutual funds "Actions Rhodia" and "Avenir 2006" under the Employee Stock Ownership Program corresponding to 798 Rhodia shares.

PROFESSIONAL ACTIVITIES DURING THE LAST FIVE YEARS:

Corporate Marketing & Sales Manager within Rhodia's strategy management since September 2007

Financial Controller of Rhodia's Silcea enterprise from 2002 to 2007

In accordance with Article 11-2 of the company's by-laws, as only one seat of member of the Board of Directors representing employee shareholders being vacant, only the candidate receiving the highest number of votes, and at least a majority, will be appointed.

EXECUTIVE MANAGEMENT COMMITTEE

➤ MR. JEAN-PIERRE CLAMADIEU

Chairman and Chief Executive Officer

➤ MR. GILLES AUFFRET

Chief Operating Officer

➤ MR. PASCAL BOUCHIAT

Group Executive Vice President and Chief Financial Officer

➤ MR. BERNARD CHAMBON

Group Executive Vice President, Communication, Public Affairs, Security and Sustainable Development, Geographic zones supervision

➤ MR. MARC CHOLLET

Group Executive Vice President, Strategy

➤ MS. YOLÈNE COPPIN

Group Executive Vice President, Human Resources

➤ MR. JEAN-PIERRE LABROUE

Group Executive Vice President, General Counsel and Corporate Secretary



STATUTORY AUDITORS

➤ **PRICEWATERHOUSECOOPERS AUDIT,**

represented by Mr. Christian Perrier
63 rue de Villiers, 92208 Neuilly-sur-Seine Cedex,
(appointed on April 29, 2003 with term of office ending after the General Meeting called to approve the financial statements for 2008).

➤ **KPMG S.A.,**

represented by Mr. Denis Marangé
Immeuble Le Palatin, 3 cours du Triangle, 92939 Paris La Défense Cedex
(appointed on May 16, 2008 with term of office ending after the General Meeting called to approve the financial statements for 2013).

ALTERNATE AUDITORS

➤ **MR. YVES NICOLAS,**

63 rue de Villiers, 92208 Neuilly-sur-Seine Cedex,
(appointed on April 29, 2003 with term of office ending after the General Meeting called to approve the financial statements for 2008).

➤ **MR. JEAN-PAUL VELLUTINI,**

1 cours Valmy, 92923 Paris La Défense Cedex
(appointed on May 16, 2008 with term of office ending after the General Meeting called to approve the financial statements for 2013).

As the mandates of PricewaterhouseCoopers Audit as Statutory Auditor and of Mr. YVES NICOLAS as Alternate Statutory Auditor end at the close of this Shareholders' Meeting, the proposed resolutions n° 13 and 14 provide:

- the renewal of the mandate of PricewaterhouseCoopers Audit as Statutory Auditor. In accordance with the provisions of Article L. 822-14 of the French Commercial Code, the partner of PricewaterhouseCoopers Audit responsible for the assignment will be changed; and
- the renewal of the mandate of Mr. YVES NICOLAS as Alternate Statutory Auditor.



Rhodia Group during 2008

➤ Brief presentation of the activities and consolidated key figures

The **CONSOLIDATED FINANCIAL STATEMENTS** provide an economic overview of the Rhodia Group. Consolidation adjustments consist in replacing the value of Rhodia's shareholdings in the corresponding companies with their assets (non-current assets, etc.) and liabilities (trade payables, etc.), as well as their income statements.

The Group's consolidated financial statements for the year ended December 31, 2008 were prepared in accordance with IFRS (International Financial Reporting Standards), as adopted by the European Union and applicable as from December 31, 2008.

The consolidated financial statements also comply with the IFRS enacted by the IASB (International Accounting Standards Board) and applicable as from December 31, 2008.

RHODIA SHOWS RESISTANCE IN 2008

2008: A YEAR OF CONTRASTS

After a period of record inflation, raw material and energy prices plummeted at the year-end. Moreover, a sudden sharp decline in demand over the last quarter prevented Rhodia from benefiting from this positive trend in raw materials and energy costs. However, sale price increases in 2008 more than offset the soaring raw material and energy costs due to the Group's strong market positions and the satisfactory level of demand until the third quarter.

During the fourth quarter, volumes decreased sharply due to the decline in end-market demand, inventory de-stocking and customer order deferrals, primarily in the automobile, electronics, construction and building markets and, to a lesser extent, in the industrial specialties market.

STRENGTHENED MEASURES TO ENSURE RIGOROUS CASH MANAGEMENT

Against this backdrop, the Group took swift and efficient actions to preserve cash and reduce costs. Three main types of measures were undertaken:

- immediate measures involving temporary production site shutdowns and slowdowns for the most affected business segments in order to adjust year-end inventories

and tighter monitoring of trade receivable collections on a worldwide scale;

- protective measures involving a very short-term management of our activities at the entity level, a reinforced selective capital expenditure management and a significant decrease in general spending at Group level;
- enhanced competitiveness plans in order to adapt to the challenging economic environment. The structural measures initiated by Polyamide and Acetow continued their implementation aiming to increase competitiveness and preserve the Group's profitability.

AMPLE LIQUIDITY AND LONG-TERM FINANCIAL RESOURCES

As of December 31, 2008, Rhodia had cash and cash equivalents and other current financial assets totaling €520 million which, combined with a €600 million credit line, mostly un-drawn, provide the Group with ample liquidity of around €1 billion.

Furthermore, the Group consolidated net debt decreased by 12% year-on-year to €1,311 million. Rhodia's gross debt of €1,831 million at year end, mainly comprised bonds with long-term maturities (2013-2014).



RHODIA GROUP CONSOLIDATED INCOME STATEMENT

<i>(millions d'euros)</i>	IFRS	2008	2007	2006 ⁽¹⁾	2005 ⁽²⁾	2004 ⁽²⁾
		12/31/2008	12/31/2007	12/31/2006	12/31/2005	12/31/2004
Net Sales		4 763	4 781	4 500	4 521	4 184
Operating profit / (loss)		309	422	323	66	(135)
Profit before income tax		130	130	19	(366)	(392)
Net profit for the period		107	131	66	(615)	(632)
Net profit Group share		105	129	62	(616)	(641)
Basic earnings per share		1.05 ⁽³⁾	1.29 ⁽³⁾	0.62 ⁽³⁾	(11.45) ⁽³⁾	(1.36)

(1) Unaudited. Restated to reflect the disposal of the Isocyanates business completed in September 2008.

(2) Include the Isocyanates business disposed in September 2008.

(3) Net profit per share for 2005, 2006 and 2007 is calculated based on the number of shares after the reverse stock split on June 12, 2007.

RESULTS AND FINANCIAL SITUATION DISCUSSION AND ANALYSIS

Forenote: all period variances referred to in this document are to be deemed on a year on year like-for-like^() basis, unless otherwise stated.*

Three main challenges affecting 2008 profitability : demand contraction at year end, soaring raw material and energy costs and foreign currency devaluation

In 2008, **Net Sales** rose by 2.9% to €4,763 million. The 9.5% or €440 million increase in prices more than offset the soaring raw material and energy costs during the year. Volume decline, however, accounted for a 4.8% decrease in net sales, while the depreciation of foreign currencies, particularly the US dollar, gave rise to a transactional forex loss of 1.8%.

In the fourth quarter, net sales declined by 3.5% to €1,126 million, reflecting the sharp 17% decrease in volumes, namely for Polyamide, Silcea and, to a lesser extent, Novocare. The remaining Enterprises showed resilience to the economic downturn.

For the full year, **recurring EBITDA** amounted to €664 million, down by 9.8%. Although higher sale prices more than offset the massive raw material and energy inflation impact of €417 million, they were not sufficient to absorb the €66 million transactional forex loss and the €52 million decline in volumes compared to 2007.

In the fourth quarter, the decline in end-market demand, inventory de-stocking and customer order deferrals prevented the Group from benefiting from the falling raw material and energy spot prices at the year-end. Despite the decline in most raw material prices, the costly raw materials purchased in previous periods had a negative €143 million impact compared to the fourth quarter in 2007, partly offset by the €132 million increase in sale prices over the period. As a result of very low volumes, the Group's reduced rate of production led to a decline in the unitary output of manufacturing processes that also impacted Q4 profitability.

The **2008 Operating Profit** stood at €309 million, compared to €383 million in 2007, essentially reflecting the decrease in recurring EBITDA.

The **Loss from Financial Items** improved by 39% to €178 million in 2008, compared to €294 million in 2007. This 39% improvement primarily stemmed from the lower level of debt and the absence of the exceptional financial expenses incurred last year in the amount of €96 million.

The **Net Profit Group Share** was €105 million in 2008, compared to €129 million in 2007.

Positive Free Cash Flow generated during the year due to rigorous cash management

Rhodia generated a positive **Free Cash Flow** of €168 million in the fourth quarter of 2008 and a positive Free Cash Flow of €37 million for the full year.

The Group successfully managed to reduce its year-end **Working Capital** by €188 million, mainly due to its stricter cash management measures deployed in a context of low demand in Q4. This improvement also reflected the resolution of the problems encountered by our US division following the roll-out of a new IT system.

Reduction in Net Debt

Over the past few years, the Group has continued its deleveraging. **Consolidated Net Debt** decreased by 12% year-on-year to €1,311 million.

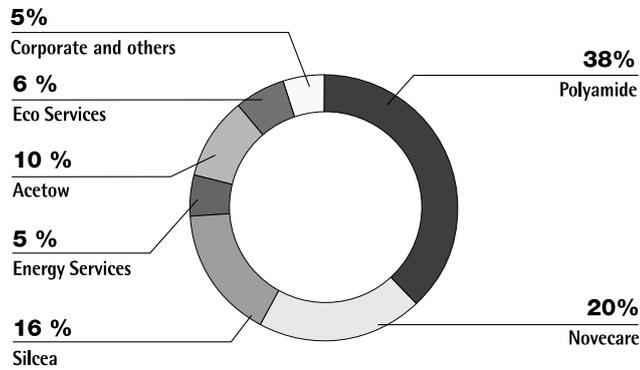
GROUP AND COMPANY STRATEGY DESCRIPTION

Rhodia has adopted a strategy contributing to profitable growth across four platforms: Polyamide, Novocare, Silcea, and Energy Services. These Enterprises hold leading positions in their respective markets. Boasting innovative solutions, they respond to a demand driven by new environmental factors. Due to their resilience, Acetow and Eco Services contribute significantly to the Group's results.

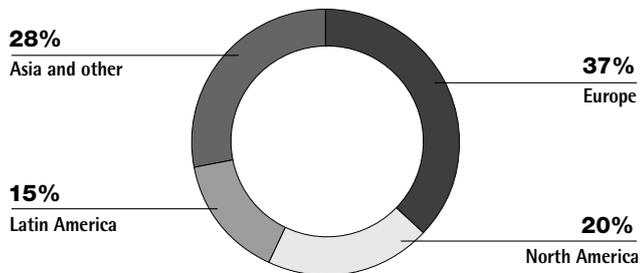
() Like-for-like: at constant scope and currency conversion*



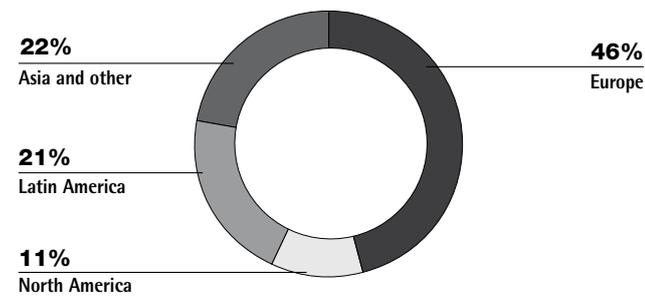
NET SALES BY COMPANY



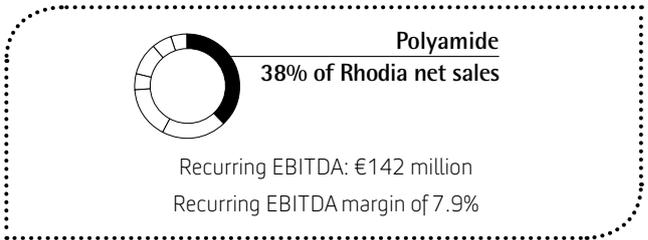
NET SALES BY GEOGRAPHICAL AREA



BREAKDOWN OF EMPLOYEES BY GEOGRAPHICAL AREA



POLYAMIDE



Rhodia Polyamide serves the automotive, electric and electronic components, sportswear and leisure markets. Its expertise in the polyamide chain has allowed it to develop activities upstream in intermediates and polymers and downstream in engineering plastics.

Since late 2007, the general conditions of the worldwide Polyamide 6.6 market have changed, mainly due to a decline in consumption in the North American rug fiber market. This slowdown led to a polymer surplus that local North American producers shifted to European and Asian markets.

At the same time, in Europe, a slowdown in demand started to take effect in the second half of 2008, especially in the automotive, textile, construction and building markets.

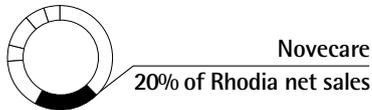
On a 2008 full-year basis, Polyamide posted a volume decline of 8.1% for net sales of €1,789 million and a recurring EBITDA of €142 million. This represented a 48% decrease in recurring EBITDA compared to the previous year due to lowervolumes (€46 million), forex loss (€39 million), and higher raw material costs (€134 million) which were not offset by sale price increases amounting to €87 million. During the fourth quarter, Polyamide suffered from a sharp 31% volume decrease, resulting from the crisis in the automotive market and, to a lesser extent, the continuous deterioration of the housing and textile markets.

In this context, Polyamide began to refocus its industrial activities to improve its competitiveness. An action plan designed to optimize production and research & development facilities in Europe was initiated in the fourth quarter of 2008 and resulted in the closure of the Ceriano (Italy) site in early 2009. This plan represents the first phase of a more extensive worldwide program that aims to cut costs by approximately €60 million by 2011.



RHODIA GROUP DURING 2008

NOVE CARE



Recurring EBITDA: €127 million
Recurring EBITDA margin of 13.1%

Rhodia Novecare provides high-performance products and solutions to a wide range of industries including cosmetics, detergents, agrochemicals and oil mining, as well as specialized industrial applications.

On a 2008 full-year basis, Novecare's price over volume strategy led to an increase in its sale prices by 13% compared to the previous year. Overall, the Enterprise reported growth in Asia and Latin America, offsetting the slowdown in the US market. Recurring EBITDA improved by 28% to €127 million.

In the fourth quarter, Novecare's cosmetics and detergents business showed solid resistance and steady growth was also reported in the agrochemicals and oil mining activities. However, its industrial applications segment suffered a significant slowdown, resulting in an overall 9.2% volume reduction for the Enterprise during the period.

In early 2009, the Group acquired McIntyre Group Ltd, a chemicals Company that produces specialty surfactants. This targeted acquisition will reinforce the Novecare product line with regard to the health and beauty segment, and enhance its offer in the hair care and industrial and domestic detergents segment. In addition, this consolidation will further the development of applications in the oil mining and agrochemicals segments and contribute to the emergence of new market opportunities in strong growth regions such as Asia-Pacific and Latin America.

SILCEA



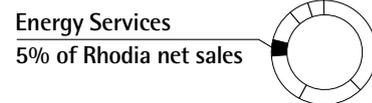
Recurring EBITDA: €106 million
Recurring EBITDA margin of 14.2%

Rhodia Silcea produces high performance silicas for tires in addition to rare earth-based materials to reduce emissions in the automotive industry and for the lighting and electronics segments. The Enterprise also produces diphenols for perfumes and flavorings.

On a 2008 full year basis, Silcea Net Sales increased by 2.1% to €746 million, due to higher sale prices representing €54 million. These price increases partly offset the impact of the €61 million surge in raw material and energy costs, although the forex loss resulted in a €106 million decline in recurring EBITDA.

During the fourth quarter, Silcea experienced a slowdown across its three business segments with overall volumes down by 23%, mainly due to the global crisis in the automotive and electronics markets, and to a lesser extent, the downturn in other industrial end-markets.

ENERGY SERVICES



Recurring EBITDA: €213 million
Recurring EBITDA margin: not applicable

Rhodia Energy Services is responsible for the Group's energy supply and the management of Rhodia's projects related to the reduction of greenhouse gas emissions. The Enterprise's objective is to develop emission reduction projects for the Group sites, and produce Certified Emission Reductions (CERs) in accordance with the Kyoto Protocol or in connection with voluntary projects.

In 2008, CER sales increased by over 10% compared to 2007 and generated a recurring EBITDA of €158 million, compared to €135 million in 2007. After peaking at €26 per ton in July 2008, CER prices gradually decreased to around €14 per ton at the end of 2008 due to the decline in the global macroeconomic environment.

ACETOW



Recurring EBITDA: €84 million
Recurring EBITDA margin of 18%

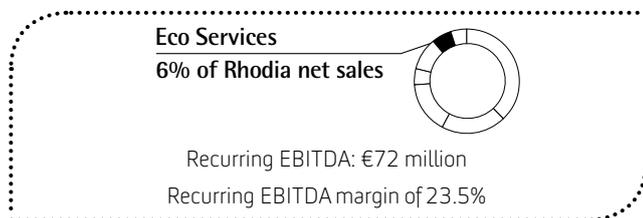
Rhodia Acetow is a global producer of filter tow, mainly used for making cigarette filters.

Rhodia Acetow showed remarkable resistance throughout the year due to the market's solid balance of supply and demand. Thanks to the added value of its products and services, Acetow continued to raise its sale prices. These price increases fully offset the surge in raw material and energy costs but were not sufficient to absorb the forex loss. At the year-end, the Enterprise had basically neutralized its euro/US dollar forex exposure by gradually converting most of its US dollar invoicing into euros and modifying its procurement sources.

Acetow successfully implemented its competitiveness improvement programs announced at the end of 2007 that generated savings of €15 million in 2008 and helped maintain recurring EBITDA at €84 million.



ECO SERVICES



Rhodia Eco Services produces and regenerates sulfuric acid for chemical manufacturers and oil refiners in North America.

In 2008, Eco Services had to cope with a record surge in the cost of sulfur (by more than 1,200% in total compared to 2007), a key raw material of sulfuric acid, and, to a lesser extent, rising natural gas prices. Considerable sale price increases fully offset these soaring costs and absorbed the negative €5 million impact on recurring EBITDA of the hurricanes that hit the United States in the third quarter of 2008.

2009 GROUP PRIORITIES

Key measures to weather the storm

The current economic recession, widespread uncertainty and the decline in demand have contributed to a current lack of visibility.

In the first quarter of 2009, Rhodia's main end-markets have still not shown signs of a recovery in demand compared to very low level in December. Furthermore, even though raw material and energy costs have eased, the Group does not expect any favorable impact on the first quarter of 2009 as it continues to use up the costly raw materials purchased in the previous period.

The Group has moved swiftly to weather the storm, introducing new cost cutting plans and focusing strongly on financial discipline:

- priority to free cash flow generation: implementation of action plans with immediate effect:
 - due to low volumes, the Group continues to focus sharply on reducing spending and adapting its cost structure to production levels. The key measures that continue to be implemented include flexible working arrangements and scheduling, an end to temporary employment contracts (already reduced by 500 since October 2008), the recovery of outsourced activities as well recruitment and wage increase freezes,
 - the Group is also striving to optimize its manufacturing levels with a day-to-day adjustment of its sourcing to ensure rigorous inventory management;
- in addition to the immediately effective measures above, the Group continues to roll out structural plans to enhance competitiveness in its Enterprises and support Functions, including the strengthening of the Polyamide plan already under execution. By 2011, all these actions should result in structural savings of €150 million compared to 2008.

In light of the economic crisis and the need for strong financial discipline, the Board of Directors agreed to withhold the dividend payment in 2009.

In 2009, the Group's absolute priority is to generate Free Cash Flow

Additional information concerning our Enterprises is available in the 2008 Reference Document (please see the request for documents on page 43 of the present Notice of Meeting or consult the electronic version on our site www.rhodia.com).

**CONSOLIDATED INCOME STATEMENTS**

	For the year ended December 31	
<i>(in millions of euros)</i>	2008	2007
Net sales	4,763	4,781
Other revenue	550	463
Cost of sales	(4,382)	(4,168)
Administrative and selling expenses	(482)	(506)
Research and development expenditure	(73)	(93)
Restructuring costs	(40)	(55)
Other operating income/(expenses)	(27)	-
Operating profit	309	422
Finance income	138	129
Finance costs	(313)	(420)
Foreign exchange losses	(3)	(3)
Share of profit/(loss) of associates	(1)	2
Profit before income tax	130	130
Income tax expense	(55)	(83)
Profit/(loss) from continuing operations	75	47
Profit/(loss) from discontinued operations	32	84
Net profit for the period	107	131
Attributable to:		
Equity holders of Rhodia S.A.	105	129
Minority interests	2	2
Earnings per share (in euros)		
Continuing and discontinued operations		
• Basic	1.05	1.29
• Diluted	1.04	1.27
Continuing operations		
• Basic	0.73	0.46
• Diluted	0.72	0.45



CONSOLIDATED BALANCE SHEETS

ASSETS

<i>(in millions of euros)</i>	At December 31, 2008	At December 31, 2007
Property, plant and equipment	1,501	1,686
Goodwill	197	207
Other intangible assets	181	183
Investments in associates	13	13
Other non-current financial assets	92	113
Deferred tax assets	171	161
Non-current assets	2,155	2,363
Inventories	666	583
Income tax receivable	12	12
Trade and other receivables	821	965
Derivative financial instruments	148	96
Other current financial assets	28	19
Cash and cash equivalents	492	415
Assets classified as held for sale	2	25
Current assets	2,169	2,115
TOTAL ASSETS	4,324	4,478

EQUITY/(DEFICIT) AND LIABILITIES

<i>(in millions of euros)</i>	At December 31, 2008	At December 31, 2007
Share capital	1,213	1,204
Additional paid-in capital	138	147
Other reserves	86	123
Deficit	(1,812)	(1,863)
Equity deficit attributable to equity holders of Rhodia S.A.	(375)	(389)
Minority interests	19	21
Total equity deficit	(356)	(368)
Borrowings	1,612	1,675
Retirement benefits and similar obligations	1,155	1,154
Provisions	279	318
Deferred tax liabilities	38	43
Other non-current liabilities	33	29
Non-current liabilities	3,117	3,219
Borrowings	219	243
Derivative financial instruments	123	68
Retirement benefits and similar obligations	93	92
Provisions	137	138
Income tax payable	19	8
Trade and other payables	972	1,071
Liabilities associated with assets classified as held for sale	-	7
Current liabilities	1,563	1,627
TOTAL EQUITY DEFICIT AND LIABILITIES	4,324	4,478



CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the year ended December 31,	
	2008	2007
<i>(in millions of euros)</i>		
Net profit for the period attributable to equity holders of Rhodia S.A.	105	129
<i>Adjustments for:</i>		
Minority interests	2	2
Depreciation and impairment of non-current assets	299	295
Net increase/(decrease) in provisions and employee benefits	(29)	(17)
Impairment of non-current financial assets	1	(1)
Share of profit/(loss) of associates	1	(2)
Other income and expense	28	54
Gain/(loss) on disposal of non-current assets	(65)	(101)
Deferred tax expense	4	25
Foreign exchange losses	29	29
Net cash flow from operating activities before changes in working capital	375	413
<i>Changes in working capital</i>		
• (Increase)/decrease in inventories	(149)	16
• (Increase)/decrease in trade and other receivables	134	33
• Increase/(decrease) in trade and other payables	(7)	(19)
• Increase/(decrease) in other current assets and liabilities	(34)	(33)
Net cash from operating activities before margin calls	319	410
Margin calls ⁽¹⁾	-	3
Net cash from operating activities	319	413
Purchases of property, plant and equipment	(241)	(258)
Purchases of other non-current assets	(41)	(66)
Proceeds on disposal of non-current assets	209	273
Purchases of entities, net of cash acquired	-	(17)
(Purchases of)/repayments of loans and financial investments	(9)	16
Net cash from/(used by) investing activities	(82)	(52)
Proceeds from issue of shares, net of costs	-	(2)
Treasury share purchase costs	(14)	-
Dividends paid to minority interests	(27)	(3)
New non-current borrowings, net of costs	23	635
Repayments of non-current borrowings, net of costs	(53)	(925)
Net increase/(decrease) in current borrowings	(58)	(117)
Net cash from/(used by) financing activities	(129)	(412)
Effect of foreign exchange rate changes	(31)	(1)
Net increase/(decrease) in cash and cash equivalents	77	(52)
Cash and cash equivalents at the beginning of the year	415	467
Cash and cash equivalents at the end of the year	492	415

(1) The margin call agreements are standardized credit risk reduction contracts, which are concluded with the clearing house of an organized market or bilaterally by private contract with a counterparty.



➤ Brief presentation of Rhodia S.A. (the holding Company) – Rhodia S.A.'s financial statement

THE FINANCIAL STATEMENTS OF RHODIA S.A. provide a legal and financial-oriented overview of the Rhodia Group. The balance sheet shows, among other things, the value of the shareholdings held and the size of loans, while the income statement shows the dividends received, financial income and expense related to cash management and the debt.

Rhodia S.A. (hereinafter referred to as "Rhodia" or the "Company") is the parent Company of the Rhodia specialty chemicals group and its sole business is that of a holding Company.

BALANCE SHEET

ASSETS	At December 31, 2008			At December 31, 2007
	Gross amount	Depreciation & amortization	Net amount	Net amount
<i>(in millions of euros)</i>				
Intangible assets, and property, plant and equipment	9	(8)	1	1
Equity investments	3,787	(1,890)	1,897	2,120
Loans to equity investments	2,833	(2)	2,831	3,271
Other long-term investments	9	-	9	9
Non current assets	6,638	(1,900)	4,738	5,401
Other receivables	1,206	(3)	1,203	186
Cash advances to subsidiaries	402	-	402	393
Marketable securities	108	(2)	106	210
Cash and short-term investments	109	-	109	1
Current assets	1,825	(5)	1,820	790
Deferred charges	7	-	7	9
Unrealized foreign exchange losses	192	-	192	109
TOTAL ASSETS	8,662	(1,905)	6,757	6,309

LIABILITIES AND SHAREHOLDERS' EQUITY	At December 31, 2008	At December 31, 2007
	Before appropriation	Before appropriation
<i>(in millions of euros)</i>		
Share capital	1,213	1,204
Additional paid-in capital	14	23
Legal reserve	40	37
Other reserves	123	105
Retained earnings/(deficit)	-	-
Net profit for the year	359	45
Shareholders' equity	1,749	1,414
Provisions	382	354
Bank borrowings	1,689	1,737
Other borrowings	1,697	2,096
Borrowings	3,386	3,833
Tax and employee-related liabilities	2	3
Other liabilities	1,202	694
Liabilities	4,590	4,530
Unrealized foreign exchange gains	36	11
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	6,757	6,309

**INCOME STATEMENT**

	At December 31	
<i>(in millions of euros)</i>	2008	2007
Dividends received from equity investments	15	46
Interest income	358	315
Interest expense	(254)	(232)
Sub-total	119	129
Charges to/reversals of provisions for impairment of securities	(198)	5
Charges to/reversals of provisions for subsidiary-related risks	8	(75)
Other financial income/(expenses)	356	(60)
Net financial items	285	(1)
Operating profit/(loss)	(21)	(18)
Net profit/(loss) from ordinary activities	264	(19)
Net exceptional items	4	(7)
Net profit/(loss) from ordinary activities before tax	268	(26)
Corporate income tax	91	71
NET PROFIT FOR THE YEAR	359	45


**COMPANY FIVE YEAR FINANCIAL SUMMARY
(ARTICLES R. 225-81, R. 225-83 AND R. 225-102 OF THE COMMERCIAL CODE)**

PERIOD END DATE	12/31/08	12/31/07	12/31/06	12/31/05	12/31/04
	12 months	12 months	12 months	12 months	12 months
I. Capital at year-end					
Share capital (in thousand of euros)	1,213,045	1,204,414	1,204,186	1,176,717	627,582
Number of shares					
- ordinary ⁽¹⁾	101,087,068	100,367,831	1,204,186,174	1,176,716,541	627,582,158
- priority dividend					
Maximum number of shares					
- by conversion of bonds					
- by subscription right					
II. Results of operations (in thousand of euros)					
Net sales excluding tax	5,676	1,197	595	12,702	7,807
Profit before tax, investments, depreciation, amortization and provisions	497,422	140,102	326,577	(400,485)	(332,444)
Income tax (including net gain under the tax consolidation group regime)	91,160	71,149	24,356	13,476	24,004
Participation of employees					
Depreciation, amortization and provisions	(229,667)	(165,803)	(132,426)	(288,899)	44,560
Net profit for the year	358,915	45,447	218,507	(675,908)	(263,880)
Distributed profit	0	25,092	0	0	0
III. Earnings per share (in euros)					
Earnings per share after tax and investments and before depreciation, amortization and provisions	5,82	2,10	0,29	(0,33)	(0,49)
Earnings per share after tax, investments, depreciation, amortization and provisions	3,55	0,45	0,18	(0,57)	(0,42)
Dividends		0,25			
IV. Employees					
Average number of employees	30	7	8	24	25
Payroll (in thousand of euros) ⁽²⁾	11,647	3,413	4,921	12,204	20,467
Employee benefits (social security, ...) (in thousand of euros) ⁽²⁾	2,931	1,633	1,166	3,423	5,067
(1) Recapitulation of successive issuances of ordinary shares forming the capital	719,237		27,469,633	549,134,383	448,272,970
Reverse share split (number of shares)		(1,103,818,343)			
Capital increase with access to capital with preferential subscription rights				549,134	448,273
Increase reserved for employees (in thousand of euros)	8,631	228	27,470		

(2) Including severance payments and post-employment benefits



How to take part in the meeting?

➤ Formalities to be completed prior to taking part and voting in the meeting

In accordance with Article R. 225-85 of the French Commercial Code, the right to attend a shareholders' meeting must be documented by the accounting registration of securities on behalf of the shareholder, or on behalf of an intermediary registered therefore, at midnight (Paris time) three business days (D-3) prior to the meeting, either in a registered account maintained by the Company (or its agents), or in a bearer securities account maintained by an authorized intermediary.

The accounting registration of the shares in a bearer securities account maintained by an authorized intermediary must be recorded in an ownership certificate issued thereby, attached to a ballot, a voting proxy form or a request for an admittance card prepared in the name of the shareholder or on behalf of the shareholder represented by the registered intermediary.

➤ Procedure for taking part in the meeting

IF YOU WISH TO ATTEND THE MEETING

You must apply for an invitation card, which is essential for entry and voting at the meeting:

- by ticking the box on the attached form **box A**: "I wish to attend the shareholders' meeting and request an admission card";
- by dating and signing the attached form;
- by returning it as soon as possible in the enclosed envelope.

IF YOU DO NOT WISH TO ATTEND THE MEETING

Tick the box on the attached form (on the back of which, the "how to apply" instructions appear), **box B**: "I prefer to use the postal vote form

or the proxy form as specified below" and you choose one among the three following options(*):

- **to vote by post (option 1)**, resolution by resolution;
or
- **to give the Chairman of the Meeting authority to vote on your behalf (option 2)**: he will then vote on your behalf for the adoption of the proposed resolutions presented or approved by the Board of Directors and against the others; or
- **to be represented (option 3)** by your spouse or another shareholder.

You need only fill in and sign the form for voting by post or by proxy and return it in the enclosed envelope.

(*): *You cannot return both postal vote form and the proxy form. In such case, the proxy form will be taken into account, without prejudice to the votes expressed in the postal vote form.*

IN ANY CASE: PLEASE RETURN THE COMPLETED FORM IN THE ENCLOSED ENVELOPE

IF YOUR SHARES ARE REGISTERED SHARES:

to SOCIÉTÉ GÉNÉRALE
Services Relations Sociétés Émettrices
Assemblées Générales – BP 81236
32 rue du Champ-de-Tir – 44312 Nantes Cedex 3

IF YOUR SHARES ARE BEARER SHARES:

to the intermediary managing your share account.



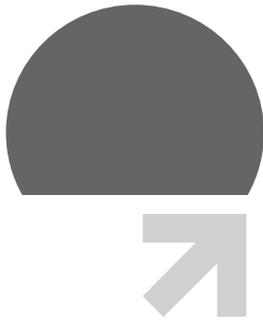
Agenda of the combined general meeting

➤ ORDINARY part

- Management report of the Board of Directors/General report of the Statutory Auditors/Approval of the Company's financial statements for the financial year 2008 (**First resolution**)
- Management report of the Board of Directors/Report of the Statutory Auditors/Approval of the consolidated financial statements for the financial year 2008 (**Second resolution**)
- Appropriation of the net profit for the financial year 2008 (**Third resolution**)
- Approval of the new regulated agreement covered in the Special report of the Statutory Auditors prepared pursuant to Article L. 225-40 of the Commercial Code (**Fourth resolution**)
- Appointment of Mr. Patrick Buffet as member of the Board of Directors (**Fifth resolution**)
- Renewal of the term of office of Mr. Jean-Pierre Clamadieu as member of the Board of Directors (**Sixth resolution**)
- Renewal of the term of office of Mr. Aldo Cardoso as member of the Board of Directors (**Seventh resolution**)
- Renewal of the term of office of Mr. Pascal Colombani as member of the Board of Directors (**Eighth resolution**)
- Renewal of the term of office of Mr. Olivier Legrain as member of the Board of Directors (**Ninth resolution**)
- Renewal of the term of office of Mr. Francis Mer as member of the Board of Directors (**Tenth resolution**)
- Appointment of Mr. Jacques Khélif as member of the Board of Directors representing employee shareholders in accordance with article 11-2 of the by-laws (**Eleventh resolution**)
- Appointment of Mrs. Marielle Martiny as member of the Board of Directors representing employee shareholders in accordance with article 11-2 of the by-laws (**Twelfth resolution**) (**Not approved by the Board of Directors**)
- Renewal of a Statutory Auditor (**Thirteenth resolution**)
- Renewal of an alternate Statutory Auditor (**Fourteenth resolution**)
- Authorization granted to the Board of Directors to trade in the Company's shares (**Fifteenth resolution**)

➤ EXTRAORDINARY part

- Management report of the Board of Directors/Special reports of the Statutory Auditors
- Change in the Company's corporate purpose/Amendment of the by-laws (*statuts*) (**Sixteenth resolution**)
- Authorization to be granted to the Board of Directors to reduce stated capital by canceling treasury shares (**Seventeenth resolution**)
- Authorization to be granted to the Board of Directors to proceed to certain free allocations of shares (**Eighteenth resolution**)
- Authorization to be granted to the Board of Directors to grant shares subscription or purchase options (**Nineteenth resolution**)
- Authority (**Twentieth resolution**)



Board of Directors' report on the proposed resolutions

Dear Shareholders,

We have called you to attend an ordinary and extraordinary shareholders' meeting to submit the following draft resolutions for your approval:

Ordinary Part of the Shareholders' meeting:

- Management Report of the Board of Directors/General Reports of the Auditors/Approval of the Company's and consolidated financial statements for the financial year 2008 (**First and second resolutions**)
- Appropriation of profit for 2008 (**Third resolution**)
- Approval of a new regulated agreement covered in the Special report of the Statutory Auditors prepared pursuant to Article L. 225-40 of the Commercial Code (**Fourth resolution**)
- Appointment and renewal of Directors (**Fifth to twelfth resolution**)
- Appointment of a statutory auditor and of an alternate statutory auditor (**Thirteenth and Fourteenth resolution**)
- Authorization granted to the Board of Directors to trade in the Company's shares (**Fifteenth resolution**)

Extraordinary Portion of the Shareholders' meeting:

- Management report of the Board of Directors/Special reports of the Statutory Auditors
- Change in the Company's corporate purpose (**Sixteenth resolution**)
- Delegation to be given to the Board of Directors to reduce stated capital by cancelling treasury shares (**Seventeenth resolution**)
- Authorization granted to the Board of Directors to effect free allocations of shares (**Eighteenth resolution**)
- Authorization granted to the Board of Directors to grant share subscription or purchase options (**Nineteenth resolution**)
- Authority (**Twentieth resolution**)

➤ **ORDINARY resolutions** (resolutions n° 1 to 15)

(PROPOSED RESOLUTIONS APPROVED BY THE BOARD OF DIRECTORS, EXCEPT RESOLUTION 12)

APPROVAL OF THE FINANCIAL STATEMENTS FOR FINANCIAL YEAR 2008 AND APPROPRIATION OF NET PROFIT

RESOLUTIONS 1 TO 3

The purpose of the **first resolution** is to approve the reports of the Board of Directors and the Statutory Auditors on the financial statements and to approve the financial statements for financial year 2008 that show a net profit of €358,915,280.68.

The purpose of the **second resolution** is to approve the reports of the Board of Directors and the Statutory Auditors on the consolidated financial statements and to approve the consolidated financial statements for financial year 2008 that show the Group's portion of net income of €105 million.

The purpose of the **third resolution** is to approve the proposal of the Board of Directors to appropriate available profit. This proposal provides for an allocation of 5% of the profit for the period to the legal reserve and the excess of available profit to other reserves.

APPROVAL OF A NEW "REGULATED AGREEMENT" – SPECIAL REPORT OF THE STATUTORY AUDITORS

RESOLUTION 4

The Board of Directors requests that you approve a new "regulated agreement" that falls under Articles L. 225-38 et seq. of the Commercial Code and is referred to in the Special Report of the Statutory Auditors prepared pursuant to Article L. 225-40 of the same Code, related thereto:

The agreement related to the Chairman and CEO (Président-Directeur Général) position entered into between the Company and the Chairman and CEO

The Board had decided that, should Mr. Jean-Pierre Clamadieu cease to be CEO (*Directeur Général*) and, later, Chairman and CEO (*Président-Directeur Général*), he would be granted the compensation and benefits usually granted in publicly listed companies comparable to Rhodia. These undertakings were formalized in a severance agreement concluded on March 26, 2007 and were approved by the shareholders at the May 3, 2007 Shareholders' Meeting. This agreement was then



BOARD OF DIRECTORS' REPORT ON THE PROPOSED RESOLUTIONS

amended on March 24, 2008 to ensure that it complied with the French Act of August 21, 2007 regarding Labor, Employment and Purchasing Power (Loi du 21 août 2007 en faveur du Travail, de l'Emploi et du Pouvoir d'Achat). This amendment was approved by the shareholders at the May 16, 2008 Shareholders' Meeting.

As your Company decided to rely on the December 2008 AFEP-MEDEF Code of Corporate Governance for Publicly Listed Companies, which includes recommendations regarding the compensation of officers and directors (*mandataires sociaux*), your Board decided to review the current agreements between the Company and Mr. Jean-Pierre Clamadieu related to his position as Chairman & CEO. Your Board also wished to obtain non-compete and non-solicitation undertakings from Mr. Jean-Pierre Clamadieu in the event of the termination of his duties, which he agreed to provide. This was specifically authorized by the Board of Directors at its March 16, 2009 meeting and was then formalized in a new agreement which constitutes a so-called "regulated" agreement which must, as a result, be submitted at this shareholders' meeting based on a Special Report of the Statutory Auditors.

The effectiveness of this new agreement is subject to the termination of Mr. Jean-Pierre Clamadieu employment contract. This new agreement will supersede the severance agreement referred to above.

This new agreement includes non-compete and non-solicitation undertakings from Mr. Jean-Pierre Clamadieu that prevent him for a period of two years from (i) conducting any activity with a company active in the chemical sector in any territory in which the Rhodia Group is located, and (ii) contacting any members of the Rhodia Executive Committee with a view to offer them a position that would benefit him or an entity in which he has an interest. As consideration, Rhodia agrees to pay Mr. Jean-Pierre Clamadieu quarterly gross compensation of €220,000 for a period of two years as from the termination of his duties.

In addition, the agreement also provides that Mr. Jean-Pierre Clamadieu will continue to receive health coverage and supplemental retirement benefits.

Further, the agreement confirms that:

- the years during which he acts as Chairman & CEO and the compensation received in this regard shall be taken into account in calculating his rights (in particular, the reference compensation and Group seniority) under the Supplemental Retirement Plan for senior managers, called "RSD"; Mr. Jean-Pierre Clamadieu became a potential beneficiary under this Plan in 2002 prior to his appointment as Chairman & CEO based on his position as a member of the Management Committees and his seniority within the Group;
- in the event of termination of his duties as Chairman & CEO and subject to the performance conditions provided for in the Plans, Mr. Jean-Pierre Clamadieu shall retain the rights attached to the free allocation of shares and share subscription or purchase options that he has received or will receive pursuant to his former employment contract or his duties of CEO that he has held within the Rhodia Group. The agreement specifies that, for so long as Mr. Jean-Pierre Clamadieu holds a corporate office, any future plan that may benefit him will be subject to performance conditions.

In addition, the Special Report of the Statutory Auditors prepared pursuant to Article L. 225-40 of the Commercial Code lists the agreements and undertakings approved during prior financial years or that are included in their prior Special Reports the performance of which continued during financial year 2008.

COMPOSITION OF THE BOARD OF DIRECTORS

RESOLUTIONS 5 TO 12

Renewal/Appointment of Directors

The Board of Directors is submitting a set of resolutions to you that relate to its composition. The purpose of these resolutions is to:

- renew the term of office as director of Messrs Jean-Pierre Clamadieu, Aldo Cardoso, Pascal Colombani, Olivier Legrain and Francis Mer;
- appoint Mr. Patrick Buffet as a director.

The proposed renewals are designed to allow the Board to continue to benefit from the expertise and experience of Mr. Jean-Pierre Clamadieu, Chairman and Chief Executive Officer, and Messrs Aldo Cardoso, Pascal Colombani, Olivier Legrain and Francis Mer, the latter four are independent directors.

The proposed appointment of Mr. Patrick Buffet will allow the admission of a new independent director into the Board, consistent with its expected composition evolution.

In accordance with the By-Laws, these renewals and this appointment will be for a term of four years and will terminate at the end of the shareholders' meeting held in 2013 to approve the financial statements for the financial year ended December 31, 2012.

If the shareholders vote in favor of all of these resolutions, upon the adjournment of the meeting, the Board of Directors will consist of 11 directors.

Out of these directors, eight will be independent, *i.e.*, Ms Laurence Danon and Messrs Aldo Cardoso, Patrick Buffet, Pascal Colombani, Jérôme Contamine, Michel de Fabiani, Olivier Legrain and Francis Mer. Moreover, given its composition upon adjournment of this meeting, each of the three Committees of the Board (*Comités d'Etude*) would consist entirely of independent directors, based on the criteria for independence approved by your Board (for reference, the assessment of "independence" is conducted by your Board of Directors based on the rules and criteria published in the AFEP-MEDEF Code of Corporate Governance for Publicly Listed Companies of December 2008).

Information on the candidates for renewal or appointment as a director of your Board is provided below.

Patrick Buffet, born on October 19, 1953, Chairman and CEO of Eramet Group, Chairman and CEO of Le Nickel and Member of the Board of Directors of Comilog (companies within the Eramet Group), since April 2007. He is also Member of the Board of Directors of Banimmo (Belgium) and Member of the Supervisory Board of Bureau Veritas and Arcole Industries. Between 2001 and April 2007, he was General Delegate, Member of the Executive Committee of Suez and Member of the Supervisory Board of Areva. Between 1998 and 2001, he held the position of Deputy General Manager, Member of the Executive



Committee of Suez Lyonnaise des Eaux Group and Société Générale de Belgique. Between 1994 and 1998, he was Industrial Portfolio Manager of Société Générale de Belgique, subsidiary of Suez. Between 1991 and 1994, Patrick Buffet was Industrial Consultant for the French Republic Presidency after his position of Chairman and CEA of Sanders S.A. (1989-1991). He also occupied different positions within the Industry Ministry (Principal Private Secretary of the Energy Secretary, Technical Advisor in several Ministers' Cabinets). Patrick Buffet started his engineer career in the Corps des Mines as Mission Manager for the Rhône-Alpes *Préfet*, and then as Project Manager (*Responsable "Grands Projets"*) within the General Department for Energy and Raw Materials (*Direction Générale de l'Énergie et des Matières Premières*).

Jean-Pierre Clamadieu is the Chairman and Chief Executive Officer of Rhodia since March 17, 2008. Prior to that, he served as the Chief Executive Officer and Director since October 2003. He is also a director on the Board of Directors of Faurecia since May 29, 2007 and of SNCF since February 21, 2008. Mr. Clamadieu was, within Rhodia, the president of the Pharmacy and Agrochemicals Division from April to October 2003, president of the Fine Organics Division from January 2002 to April 2003, senior vice president of Corporate Purchases in 2001 and president of Rhodia Eco Services between 1999 and 2000. From 1996 to 1999, he served as the president of the chemical sector responsible for chemical activities of the Rhône-Poulenc Group for the Latin America zone. Mr. Clamadieu came to Rhône-Poulenc in 1993 to develop new activities in the field of automobile pollution control. Before joining Rhône-Poulenc, Mr. Clamadieu was a technical advisor to the Minister of Labor from 1991 to 1993. Mr. Clamadieu started his professional career in 1984, occupying various positions in French governmental agencies such as the Regional Industry and Research Office (DRIR) and the French Delegation for Territorial Development and Regional Action (DATAR). Mr. Clamadieu was born on August 15, 1958; he graduated from the *École des Mines* of Paris.

Aldo Cardoso has been a Director of Rhodia since July 28, 2004; he is currently the chairman of the Group's Audit Committee and member of the Compensation, Selection and Governance Committee. Mr. Cardoso is also a director of GDF SUEZ, Gecina, Imerys, Mobistar (Belgium) and censor of Bureau Veritas and Axa Investment Managers. Mr. Cardoso was the executive president of Andersen Worldwide from 2002 to 2003, the chairman of the supervisory board of Andersen Worldwide from 2000 to 2001, and the chief executive officer of Andersen France from 1998 to 2002. Mr. Cardoso began his career in 1979 as a consultant auditor in the Andersen Group, was named a partner in 1989 and was a director of the audit department in France in 1993, prior to taking responsibility for the European audit department and financial consultancy in 1998. Mr. Cardoso was born on March 7, 1956, and graduated from the *École supérieure de commerce* of Paris.

Pascal Colombani was appointed Director of Rhodia during the shareholders' meeting of June 23, 2005, and currently serves as member of the Strategic Committee and of the Compensation, Selection and Governance Committee. Mr. Colombani is a senior advisor of the strategy consulting office A.T. Kearney since 2003 and director of Alstom, Technip, Valeo, and the British Energy Group. Mr. Colombani held the chair of the supervisory board of Areva until 2003 and was a general director and the chairman of the Board of Directors of the Atomic Energy Commission (CEA) from 1999 to December 2002. Mr. Colombani is also the senior

advisor of Detroyat et Associés. From 1998 to 1999, he was the director of technology at the French Ministry of Education, Research and Technology, after working almost 20 years for Schlumberger in various positions in Europe, the United States, and Asia, presiding notably over a Japanese subsidiary of the group in Tokyo. He began his career at France's CNRS Nuclear Physics Institute. Mr. Colombani was born on October 14, 1945, and graduated from the *École Normale Supérieure* in France, with a degree in physics (Agrégation) (1969), and holds a doctorate in physics (1974).

Olivier Legrain was appointed Director at the shareholders' meeting of June 23, 2005, and currently serves as a member of the Strategic Committee and of the Compensation, Selection and Governance Committee. Since January 2001, he is the chairman of the board and President of Materis, which was created out of Lafarge's specialty materials business. In 1994 he was appointed Executive Vice President, member of the executive committee, of the Lafarge group. In 1995 he took over the management of the specialty materials division. He was also responsible of the group's strategic coordination in 1997. He had previously held different positions as General Manager within the Rhône-Poulenc Group. He was appointed Group's Executive Vice President of the Basic Chemicals Division from 1986 to 1990, of the Fibers and Polymer Division from 1990 to 1991 and of the Intermediates, Organics and Inorganics industry from 1991 to 1993. Mr. Legrain was born on September 30, 1952, and graduated from *École Civile des Mines* and from *Ecole Nationale de la Statistique et de l'Administration Économique (ENSAE)*

Francis Mer has been a Director since May 13, 2004 and currently serves as the chairman of Rhodia's Strategic Committee. He is also the chairman of the supervisory board of SAFRAN, and a director of Adecco (Switzerland). Mr. Mer served as Minister of Economy, Finance and Industry in the French Government from May 7, 2002 to March 30, 2004, and the chairman of the Board of Directors of Usinor-Sacilor then Arcelor from 1986 to 2002. In July 1982, he became the chairman and managing director of Pont-à-Mousson SA and director of the Saint-Gobain Group's Pipelines and Mechanical Engineering Division, after having served as the deputy managing director in charge of industrial policy. He acted as the managing director of Saint-Gobain Industries (1974-1978), prior to which he was the planning director at Saint-Gobain Pont-à-Mousson (1973). He started working for the Saint-Gobain group in 1970. Mr. Mer was born on May 25, 1939; he graduated from the *École Polytechnique* and *École des Mines*.

Appointment of a director to represent employee shareholders

After noting that, as at December 31, 2006, employee shareholders held more than 3% of the Company's equity, the May 16, 2008 ordinary and extraordinary shareholders' meeting decided to amend the Company's by-laws to allow the appointment of a director to represent employee shareholders on your Board. Therefore, the Company initiated an election process as defined in the by-laws and the employee shareholders nominated Ms Marielle Martiny and Mr. Jacques Khélif to be submitted by the Board of Directors for appointment by the shareholders. Thus 36% of the voters, representing 45,72% of the shares, voted for Ms Marielle Martiny and 42% of the voters, representing 32,75% of the shares, voted for Mr. Jacques Khélif.

Information on the candidates for appointment as a director representing employee shareholders of your Board is provided below.



BOARD OF DIRECTORS' REPORT ON THE PROPOSED RESOLUTIONS

Jacques Khélif was appointed Director at the shareholders' meeting of June 23, 2005, upon voluntary proposal of the Board of Directors due to its interest in having a representative of employee shareholders. Since October 2003, he has been Rhodia's Vice President for Sustainable Development, after having joined the Group in November 2002 as Assistant and Special Advisor to the President for Sustainable Development. Mr. Khélif was the federal secretary of the Federation of Chemical Industry CFDT from 1984 and general secretary of the same Federation from 1987. At the same time, he became a member of the CFDT trade union's national bureau. He also was the vice president of the European Mine, Chemical and Energy Workers Federation (EMCEF). He started his career with Rhône-Poulenc at the Chalampé factory in 1972, where he was involved in CFDT trade union activities. Mr. Khélif was born on October 19, 1953.

Marielle Martiny has been Rhodia's Corporate Marketing & Sales Manager within Rhodia's strategy management since September 2007, responsible for the optimization of commercial processes and best practices and defining the internal controls in order to manage the risks linked to commercial transactions. After having served as accounting manager of Rhodia's plant at La Rochelle since 1999, Ms Martiny has been appointed financial controller of Rhodia's Silcea enterprise and became member of its executive committee in 2006. Previously she held several positions as management controller within the group of Rhône-Poulenc Rorer. Ms Martiny is born on March 8, 1964 and is a graduate of the *Institut d'Administration des Entreprises de Bordeaux* and of the *Institut de Haute Finance de Paris*.

In accordance with Article 11 of Company's by-laws, out of the two candidates listed above, the candidate who receives the largest number of votes of shareholders present or represented at your meeting will be appointed as the director representing employee shareholders, provided that the resolution regarding their appointment is also approved by a majority of votes.

The Board after having heard the two candidates at the meeting of March 16, 2009 and valued their experiences, personal qualities and ability to contribute to the Board's works, recommends that you vote in favor of Mr. Jacques Khélif. It has therefore decided to approve the eleventh resolution and not to approve the twelfth resolution.

RENEWAL OF THE MANDATE OF A STATUTORY AUDITOR AND OF AN ALTERNATE STATUTORY AUDITOR

RESOLUTIONS 13 AND 14

As the appointments of PricewaterhouseCoopers Audit as Statutory Auditor and Mr. Yves Nicolas as alternate auditor expire at the end of this shareholders' meeting, the shareholders are requested:

- in the 13th resolution, to renew the mandate of PricewaterhouseCoopers Audit as Statutory Auditor. In accordance with the provisions of Article L. 822-14 of the French Commercial Code, the partner of PricewaterhouseCoopers Audit responsible for the assignment will be changed; and
- in its 14th resolution, to renew the mandate of Mr. Yves Nicolas as Alternate Auditor.

These renewals will be for a term of six financial years and will, therefore, expire at the end of the shareholders' meeting called to vote on the financial statements for the financial year 2014.

These proposals are based on a prior auditors' selection process that was overseen by the Audit Committee of the Board during which the major audit firms were consulted.

AUTHORIZATION TO BE GRANTED TO THE BOARD OF DIRECTORS TO TRADE IN THE COMPANY'S SHARES

RESOLUTION 15

As the authorization given at the shareholders' meeting of May 16, 2008 expires on November 16, 2009, the purpose of this resolution is to grant the Board of Directors, the authorization with a right of further delegation, to trade in the Company's shares for a maximum purchase price of €30 and for a maximum of 10% of the total number of shares comprising the Company's stated capital.

For reference, as of December 31, 2008, the Company's stated capital consisted of 101.087,068 shares. On this basis, the maximum amount allocated to implement this share purchase program would be €303,257,850, corresponding to the purchase of 10,108,706 shares.

The goals sought by having the Company purchase its own shares are listed in the draft resolution and include, in particular, cancellation of treasury shares (which also requires the approval of Resolution 17 below), the grant of shares to employees, officers, directors or representatives of the Company as part of free allocation of shares plans or share purchase option plans, the provision of shares in exchanges when the rights attached to equity securities in the Company are exercised, to ensure liquidity and increase the trading volume in the Company's shares, or to retain the shares and, if appropriate, sell, transfer or exchange them as part of M&A transactions in accordance with acceptable market practices or, in general, any other practice that is permitted by law or the *Autorité des Marchés Financiers*.

These transactions may be completed at any time, with the exception of during public offering periods for the Company's equity, in accordance with the rules issued by the *Autorité des Marchés Financiers*.

Pursuant to the authorization granted at the May 16, 2008 shareholders' meeting, the Company purchased 1,792,137 of its shares during financial year 2008. Accordingly, as at December 31, 2008, the Company held 1,788,803 treasury shares. All of these shares were allocated to cover free allocation of shares plans and share purchase option plans for employees, officers, directors and representatives of the Rhodia Group.

This authorization would be given for a period of eighteen months.



➤ EXTRAORDINARY resolutions (Resolutions No. 16 to 20)

(PROPOSED RESOLUTIONS APPROVED BY THE BOARD OF DIRECTORS)

AMENDMENT OF ARTICLE 3 OF THE BY-LAWS ("STATUTS") – CHANGE IN THE COMPANY'S CORPORATE PURPOSE

RESOLUTION 16

In the sixteenth resolution, you are requested to change the corporate purpose of your Company to take into account the service activities conducted by your Company for the directly or indirectly affiliated companies or groupings within the Rhodia Group.

Article 3 of the Company's by-laws would, therefore, be amended as follows:

➤ the following paragraph is inserted between the 4th and 5th paragraphs:

"the supply, as mother Company, of support, advisory, coordination, management and animation services to Rhodia subsidiaries;"

AUTHORIZATION TO REDUCE STATED CAPITAL BY CANCELLING TREASURY SHARES

RESOLUTION 17

In the seventeenth resolution, you are requested to allow the Board to cancel, at its sole discretion, on one or more occasions, all or part of the shares acquired by the Company under the fifteenth resolution or under those equivalent resolutions approved at the May 16, 2008 shareholders' meeting.

This authorization would be granted for a period of 24 months and would cover a maximum of 10% of equity.

Full authority would also be granted to the Board of Directors to implement this authorization and, in particular, to amend the by-laws, allocate the difference between the book value of the cancelled shares and their nominal value to any reserves or premiums, and to complete any required formalities, with the right to further delegate.

AUTHORIZATION FOR THE BOARD OF DIRECTORS TO PROCEED TO FREE ALLOCATION OF SHARES TO EMPLOYEES OR CERTAIN CATEGORIES OF EMPLOYEES

RESOLUTION 18

After having familiarized yourselves with the Special Report of the Auditors, we recommend that you approve this resolution to authorize the Board of Directors to grant free allocation of current or future shares of the Company of up to 1% of equity as of the date of the Board of Directors' decision (the legal limit is 10%) to employees of your Company and of the companies and economic interest groupings affiliated therewith within the meaning of Article L. 225-197-2 of the French Commercial Code, as well as to certain officers, directors and representatives that, under certain conditions, benefit from favorable tax treatment.

These grants of free allocation of shares must be subject to one or more economic performance conditions. These performance conditions will be defined by the Board of Directors for each plan that is implemented.

With respect to the performance conditions and as an example, in March 2008 the Company completed two grants subject to two performance conditions. Half of the shares granted were subject to achieving a CFROI greater than 8%, the other half to Rhodia's relative performance compared to its major competitors with an EBITDA to sales ratio more than two points above the average of a group of such competitors. It should be noted that the first performance condition mentioned above has not been met; the second has.

The grants that will be completed based on this resolution will be subject to the December 2008 AFEP-MEDEF Code of Corporate Governance for Publicly Listed Companies covering grants of performance shares to legal representatives (*mandataires sociaux*) of your Company.

In addition, in accordance with Article L. 225-197-6 of the French Commercial Code, created by the Act of December 3, 2008 covering payment for labor (*Loi du 3 décembre 2008 en faveur des revenus du travail*), the first grant of performance shares completed for the benefit of an officer or director (*mandataire social*) pursuant to this resolution will only be effective subject to fulfillment of one of the following conditions: (i) grant of shares subscription or purchase options or free allocation of shares to all employees of the Company and to at least 90% of the employees of its subsidiaries within the meaning of Article L. 210-3 of the French Commercial Code, and (ii) the existence or, if appropriate, the improvement of an exceptional or voluntary optional profit sharing or statutory profit sharing agreement.

In accordance with Article L. 225-197-1 of the French Commercial Code, the grant of the shares to their beneficiaries will only vest after:

- a minimum two-year vesting period with the minimum term for the beneficiaries to retain the shares beginning with this vesting and also running for two years; or
- a minimum four-year vesting period, in which case there need not be a retention period.

However, the Board of Directors could provide for vesting and retention periods greater than the minimal periods set above. In addition, you should note that, in accordance with Article L. 225-197-1 II, paragraph 4 and the AFEP-MEDEF Code of Corporate Governance for Publicly Listed Companies, your Board of Directors has set the number of the shares that must be retained by the Chairman and CEO at 25% until expiration of his term.

As part of this resolution, shareholders are also requested to approve the immediate purchase of shares in the event of a beneficiary's disability.

If new shares are granted, as the shares vest, the authorization implies a capital increase through the incorporation of reserves, income or issue premiums to the beneficiaries of said shares and a waiver, by operation of law, by the shareholders, in favor of the recipients of the free allocation



BOARD OF DIRECTORS' REPORT ON THE PROPOSED RESOLUTIONS

of shares, of their preferential subscription rights to the new shares to be issued, a portion of the reserves and premiums that could be incorporated into stated capital if new shares are issued, and said new shares.

The Board shall have all authority, with a right of further delegation as provided for by law, to complete all actions, formalities and declarations, adjust, if appropriate, any transactions involving the Company's equity, formally acknowledge the capital increase or increases completed and correspondingly amend the by-laws.

This authorization would be granted for a term of twenty-six months and would terminate (by replacement) the authorization still in effect (up to the unused balance) approved for 26 months in the sixteenth resolution at the May 3, 2007 shareholders' meeting.

For information purposes, on March 16, 2009, all shares which could result from the shares subscription or purchase options plans or free allocation of shares plans represented 3.04% of the Company's stated capital (of which 1.56% under all the shares subscription options plans, the subscription price of these plans being comprised between €15.12 to €87.48, to be compared to a closing price of the share of €2.37 on the same date).

AUTHORIZATION FOR THE BOARD OF DIRECTORS TO GRANT SHARE SUBSCRIPTION OR SHARE PURCHASE OPTIONS

RESOLUTION 19

After having familiarized yourselves with the Special Report of the Auditors, we suggest that you approve this resolution, presented pursuant to the provisions of Articles L. 225-177 et seq. and R. 225-137 et seq. of the French Commercial Code, that delegates to the Board of Directors the authority to grant share subscription or share purchase options to employees of the Company and of the companies and economic interest groupings that are directly or indirectly affiliated therewith within the meaning of Article L. 225-180 of the French Commercial Code, as well as to employees, officers, directors and representatives.

The subscription or purchase price will accordingly be determined by the Board of Directors on the day the options are granted and may not be less than the average of the opening share prices on Euronext Paris, or any other equivalent market that replaces it, during the 20 trading days preceding the date on which the subscription or purchase options are granted. Further, with respect to share purchase options, the price set by the Board of Directors may not be less than the average purchase price of the shares held by the Company pursuant to Articles L. 225-208 and L. 225-209 of the French Commercial Code. There will not be any possible discount.

It is specified that options will be granted under this resolution to Company employees, officers and directors (*mandataires sociaux*) subject to achieving performance conditions and in accordance with the provisions of the AFEP-MEDEF Code of Corporate Governance for Publicly Listed Companies.

In addition, in accordance with Article L. 225-186-1 of the French Commercial Code, created by the Act of December 3, 2008 covering payment for labor, the first attribution completed pursuant to this resolution will only be subject to fulfillment of one of the following conditions: (i) the grant of subscription or purchase options or free allocations of shares to all employees of the Company and to at least 90% of the employees of its subsidiaries within the meaning of Article L. 210-3 of the French Commercial Code, and (ii) the existence or, if appropriate, the improvement of an exceptional or voluntary optional profit sharing or statutory profit sharing agreement.

For reference, there has never been a discount in any of the shares subscription or purchase option plans authorized by your Board of Directors.

The Board of Directors shall have full authority, with a right of further delegation as provided for by law, to set the other conditions and procedures for the grant and exercise of options, as well as the exercise periods of the options granted. It shall have also the right to temporarily suspend options exercises for a maximum period of three months if financial transactions affecting the exercise of a right attached to shares are undertaken.

The maximum total number of new or outstanding shares to which the exercise of subscription or purchase options could generate is 1% of stated capital as of the date of the Board of Directors' decision.

This authorization would be granted for a period of 26 months and shall terminate (by replacing) the authorization still in effect (up to the unused balance) approved for 26 months in the seventeenth resolution at the May 3, 2007 shareholders' meeting.

AUTHORITY

RESOLUTION 20

In accordance with standard practice, you are requested to grant the authority necessary to complete legal or regulatory formalities.



PRESENTATION OF AUTHORIZATIONS ASKED IN THE PRESENT GENERAL MEETING

Transactions/Securities	Maximum Nominal Amount of Issuance	The duration of the authorization (and expiration)
Repurchase of shares 15 th Resolution	10% of the capital Purchase price: ≤ €30	18 months (11/2010)
Capital reduction of the stated capital by cancelling treasury shares 17 th Resolution	10% of the capital	24 months (05/2011)
Free allocation of shares to employees and managers (Article L. 225-197-1 and following of the Commercial Code) 18 th Resolution	1% of the capital (at the date of the allocation(s)) Subject to performance conditions	26 months (07/2011)
Allocation of options for subscription or purchase of shares (Article L. 25-177 and following of the Commercial Code) 19 th Resolution	1% of the capital (at the date of the allocation(s)) Subject to performance conditions	26 months (07/2011)

REMINDER OF THE EXISTING AUTHORIZATIONS GRANTED BY THE PREVIOUS GENERAL MEETING

Transactions	Maximum nominal amount of issuance	Use (date)	The duration of the authorization (and expiration)
Purchase of the Company's shares, General Shareholders' Meeting 05/16/2008 – 12 th Resolution	10% of the capital Purchase price: ≤ €45	1,792,137 shares purchased	18 months (11/2009)
Capital reduction of the stated capital by canceling treasury stock, General Shareholders' Meeting 05/16/2008 – 13 th Resolution	10% of the capital	none	24 months (05/2010)
Capital increase, all types of securities with shareholders' preferential subscription rights, General Shareholders' Meeting 05/03/2007 – 10 th Resolution	Capital = €600 million In loan = €800 million	none	26 months (07/2009)
Capital increase, reserved for participants in a Company savings plan, General Shareholders' Meeting 05/03/07 14 th resolution	€50 million, nominal value	none	26 months (07/2009)
Free allocation of shares to employees and managers (Article L. 225-197-1 and following of the Commercial Code), General Shareholders' Meeting 05/03/2007 – 16 th Resolution	2% of the capital (at the date of the allocation(s))	235,110 shares allocated (07/2007)* 1,023,960 shares allocated (03/2008)** 762,400 shares allocated (03/2009)***	26 months (07/2009)
Allocation of options for subscription or purchase of shares (Article L. 225-177 and following of the Commercial Code), General Shareholders' Meeting 05/03/2007 – 17 th Resolution	1% of the capital (at the date of the allocation(s))	none	26 months (07/2009)

* Of which 92,355 as part of the "2+2" plan and 142,755 as part of the second plan known as "4+0" in the framework of a global plan for the free allocation of shares to 15,674 employees.

** Pursuant to 4 plans for the allocation of performance shares authorized by the Board of Directors at their meeting on March 17, 2008.

*** Pursuant to 4 plans for the allocation of performance shares authorized by the Board of Directors at their meeting on March 16, 2009.

Based on this information and having regard to the reports of the Statutory Auditors, we ask you to approve the proposed resolutions approved by your Board of Directors.

The information set out above represents a simple summary of the resolutions proposed to the general meeting. The Board of Directors invites shareholders to read the full text of the proposed resolutions set out in this document.

Finally, the additional documents and information concerning the general meeting and referred to in Article R. 225-83 of the Commercial Code (which will be provided to shareholders on request) provide full information including in particular the management report of the Board of Directors (including a description of the conduct of the Company's business), the financial statements of the Company and the reports of the Statutory Auditors. They are available on request (*see the last page of this document*).



Text of the proposed resolutions

➤ ORDINARY part

APPROVAL OF THE COMPANY'S FINANCIAL STATEMENTS

FIRST RESOLUTION

The Shareholders' Meeting, in accordance with the quorum and majority requirements for ordinary shareholders' meetings, after having reviewed the reports of the Board of Directors and the Statutory Auditors on the annual financial statements for financial year 2008, approves, in their entirety and as presented thereto, said reports, as well as the annual financial statements for financial year 2008 reflecting a net profit of €358,915,280.68.

The Shareholders' Meeting also approves the transactions reflected in these financial statements and/or mentioned in these reports.

APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

SECOND RESOLUTION

The Shareholders' Meeting, in accordance with the quorum and majority requirements for ordinary shareholders' meetings, after having reviewed the reports of the Board of Directors and the Statutory Auditors on the consolidated financial statements for financial year 2008, approves, in their entirety and as presented thereto, said reports, as well as the consolidated financial statements for financial year 2008 reflecting a consolidated net profit attributable to the Rhodia shareholders of €105 million.

The Shareholders' Meeting also approves the transactions reflected in these financial statements and/or mentioned in these reports.

APPROPRIATION OF NET PROFIT FOR THE FINANCIAL YEAR CLOSED DECEMBER 31, 2008, AS REFLECTED IN THE ANNUAL FINANCIAL STATEMENTS

THIRD RESOLUTION

The Shareholders' Meeting, in accordance with the quorum and majority requirements for ordinary shareholders' meetings, after having reviewed the reports of the Board of Directors and the Statutory Auditors, after having noted that, in light of the net profit for financial year 2008 of €358,915,280.68, and distributable reserves as of December 31, 2008 of €123,362,930.67, the distributable income for the financial year amounts to €482,278,211.35:

➤ approves the proposal of the Board of Directors relating to the appropriation of distributable profit:

SOURCE	(in euros)
Net profit for the period	358,915,280.68
Other distributable reserves	123,362,930.67
i.e. a distributable amount of:	482,278,211.35
To be appropriated as follows:	
Legal reserve (5% of net profit of the period)	17,945,764.04
Other reserves	464,332,447.31

➤ formally acknowledges that the following dividends were distributed during the past three financial years:

FINANCIAL YEAR	Net Distributed Dividend
2005	€0
2006	€0
2007	€0.25

APPROVAL OF A REGULATED AGREEMENT – AGREEMENT RELATED TO THE POSITION OF CHAIRMAN & CHIEF EXECUTIVE OFFICER OF JEAN-PIERRE CLAMADIEU

FOURTH RESOLUTION

The Shareholders' Meeting, in accordance with the quorum and majority requirements for ordinary shareholders' meetings:

➤ notes that the Special Report of the Statutory Auditors required by applicable laws and regulations, relating to the agreement governed by Articles L. 225-38 through L. 225-42-1 of the Commercial Code entered into with Mr. Jean-Pierre Clamadieu, was issued;

➤ approves this agreement and the report made thereon pursuant to Articles L. 225-38 to L. 225-42-1 et seq. of the Commercial Code.



TEXT OF THE PROPOSED RESOLUTIONS

APPOINTMENT OF MR. PATRICK BUFFET AS MEMBER OF THE BOARD OF DIRECTORS

FIFTH RESOLUTION

The Shareholders' Meeting, in accordance with the quorum and majority requirements for ordinary shareholders' meetings, upon the recommendation of the Board of Directors, and in accordance with the conditions set forth in Article 11 of the by-laws, hereby appoints Mr. Patrick Buffet as member of the Board of Directors for a four-year term, expiring at the end of the Ordinary Shareholders' Meeting called to approve the financial statements for the financial year 2012.

RENEWAL OF THE TERM OF OFFICE OF MR. JEAN-PIERRE CLAMADIEU AS MEMBER OF THE BOARD OF DIRECTORS

SIXTH RESOLUTION

The Shareholders' Meeting, in accordance with the quorum and majority requirements for ordinary shareholders' meetings, taking note that the term of office of Mr. Jean-Pierre Clamadieu as member of the Board of Directors expires on the date hereof, hereby renews such term of office for a four-year period, expiring at the end of the Ordinary Shareholders' Meeting called to approve the financial statements for the financial year 2012.

RENEWAL OF THE TERM OF OFFICE OF MR. ALDO CARDOSO AS MEMBER OF THE BOARD OF DIRECTORS

SEVENTH RESOLUTION

The Shareholders' Meeting, in accordance with the quorum and majority requirements for ordinary shareholders' meetings, taking note that the term of office of Mr. Aldo Cardoso as Member of the Board of Directors expires on the date hereof, hereby renews such term of office for a four-year period, expiring at the end of the Ordinary Shareholders' Meeting called to approve the financial statements for the financial year 2012.

RENEWAL OF THE TERM OF OFFICE OF MR. PASCAL COLOMBANI AS MEMBER OF THE BOARD OF DIRECTORS

EIGHTH RESOLUTION

The Shareholders' Meeting, in accordance with the quorum and majority requirements for ordinary shareholders' meetings, taking note that the term of office of Mr. Pascal Colombani as Member of the Board of Directors expires on the date hereof, hereby renews such term of office for a four-year period, expiring at the end of the Ordinary Shareholders' Meeting called to approve the financial statements for the financial year 2012.

RENEWAL OF THE TERM OF OFFICE OF MR. OLIVIER LEGRAIN AS MEMBER OF THE BOARD OF DIRECTORS

NINTH RESOLUTION

The Shareholders' Meeting, in accordance with the quorum and majority requirements for ordinary shareholders' meetings, taking note that the term of office of Mr. Olivier Legrain as member of the Board of Directors expires on the date hereof, hereby renews such term of office for a four-year period, expiring at the end of the Ordinary Shareholders' Meeting called to approve the financial statements for the financial year 2012.

RENEWAL OF THE TERM OF OFFICE OF MR. FRANCIS MER AS MEMBER OF THE BOARD OF DIRECTORS

TENTH RESOLUTION

The Shareholders' Meeting, in accordance with the quorum and majority requirements for ordinary shareholders' meetings, taking note that the term of office of Mr. Francis Mer as member of the Board of Directors expires on the date hereof, hereby renews such term of office for a four-year period, expiring at the end of the Ordinary Shareholders' Meeting called to approve the financial statements for the financial year 2012.

APPOINTMENT OF MR. JACQUES KHÉLIFF AS MEMBER OF THE BOARD OF DIRECTORS REPRESENTING EMPLOYEE SHAREHOLDERS IN ACCORDANCE WITH ARTICLE 11-2 OF THE BY-LAWS

ELEVENTH RESOLUTION^(*)

The Shareholders' Meeting, in accordance with the quorum and majority requirements for ordinary shareholders' meetings, appoints, in accordance with the conditions set forth in Article 11-2 of the by-laws, Mr. Jacques Khéloff as member of the Board of Directors representing employee shareholders for a four-year period, expiring at the end of the Ordinary Shareholders' Meeting called to approve the financial statements for the financial year 2012.

APPOINTMENT OF MRS. MARIELLE MARTINY AS MEMBER OF THE BOARD OF DIRECTORS REPRESENTING EMPLOYEE SHAREHOLDERS IN ACCORDANCE WITH ARTICLE 11-2 OF THE BY-LAWS

TWELFTH RESOLUTION^(*)

(Not approved by the Board of Directors)

The Shareholders' Meeting, in accordance with the quorum and majority requirements for ordinary shareholders' meetings, appoints, in accordance with the conditions set forth in Article 11-2 of the by-laws, Mrs. Marielle Martiny as member of the Board of Directors representing employee shareholders for a four-year period, expiring at the end of the Ordinary Shareholders' Meeting called to approve the financial statements for the financial year 2012.

^(*) Resolutions 11 and 12: in accordance with Article 11-2 of the company's by-laws, as only one seat of member of the Board of Directors representing employee shareholders being vacant, only the candidate receiving the highest number of votes, and at least a majority, will be appointed.



TEXT OF THE PROPOSED RESOLUTIONS

RENEWAL OF A STATUTORY AUDITOR

THIRTEENTH RESOLUTION

The Shareholders' Meeting, in accordance with the quorum and majority requirements for ordinary shareholders' meetings, taking note that the term of office of PricewaterhouseCoopers Audit, Statutory Auditor, expires at the end of this General Meeting, decides to renew PricewaterhouseCoopers Audit (63 Rue de Villiers, 92208 Neuilly-sur-Seine Cedex, 672 006 483 R.C.S Nanterre) as Statutory Auditor for a six-year period, expiring at the end of the General Meeting called to approve the financial statements for the financial year ending on December 31, 2014.

RENEWAL OF AN ALTERNATE STATUTORY AUDITOR

FOURTEENTH RESOLUTION

The Shareholders' Meeting, in accordance with the quorum and majority requirements for ordinary shareholders' meetings, taking note that the term of office of Mr. Yves Nicolas as alternate Statutory Auditor, expires at the end of this General Meeting, decides to renew Mr. Yves Nicolas (63 Rue de Villiers, 92208 Neuilly-sur-Seine Cedex) as alternate Statutory Auditor for a six-year period, expiring at the end of the General Meeting called to approve the financial statements for the financial year ending on December 31, 2014.

AUTHORIZATION GRANTED TO THE BOARD OF DIRECTORS TO TRADE IN THE COMPANY'S SHARES

FIFTEENTH RESOLUTION

1. The Shareholders' Meeting, in accordance with the quorum and majority requirements for ordinary shareholders' meetings, after having reviewed the report of the Board of Directors, authorizes the Board of Directors, in accordance with the provisions of Articles L. 225-209 et seq. of the Commercial Code, Title IV of Book II of the General Regulations of the French Financial Markets Authority (*Autorité des Marchés Financiers*) and Regulation No. 2273/2003 of the European Commission dated December 22, 2003, to purchase or have purchased shares of the Company:

- up to a number of shares representing 10% of the stated capital as of the date these purchases are completed. It is specified that the maximum number of shares held after these purchases may not exceed 10% of stated capital;
- for a maximum purchase price of €30 per share.

By way of an example, as of December 31, 2008, the Company's stated capital consisted of 101,087,068 shares. On this basis, the maximum number of shares that the Company could purchase is 10,108,706 and the maximum amount that it could pay to purchase these shares is €303,261,180.

2. The shareholders' meeting decides that these purchases may be completed for the following purposes, in compliance with the aforementioned laws, regulations and market practices allowed by the French "*Autorité des Marchés Financiers*":

- to grant or sale shares under a shares subscription or purchase option plans, or free allocations of shares plans or any other form of allocation to employees, former employees, officers, directors or representatives (*mandataires sociaux*) of the Company and its subsidiaries within the meaning of Articles L. 225-180 or L. 233-16 of the Commercial Code;
- to allow the delivery of shares as a result of the exercise of rights attached to securities conferring Company's shares attribution rights, by repayment, conversion, exchange, presentation of a coupon or in any other manner;
- to ensure liquidity and an active market of the Company's shares through an investment services provider pursuant to a liquidity agreement in accordance with a code of ethics recognized by the French "*Autorité des Marchés Financiers*";
- to keep the shares and, as the case may be, sell, transfer or exchange them in with the context of or as a result of any external growth, in accordance with recognized market practices and applicable law;
- to cancel all or part of the shares so purchased, subject to the adoption of the 17th Resolution;
- for any other purpose that would be authorized or recognized by applicable laws and regulations or by the French "*Autorité des Marchés Financiers*" or any other purpose in compliance with applicable laws and regulations.

3. The purchase, sale, transfer or exchange of said shares may be made, in accordance with the rules issued by the French "*Autorité des Marchés Financiers*", at any time, excluding periods for public tender on the Company's share capital.

4. The purchase, sale, transfer or exchange may be made by any means, including over-the-counter trading, blocks' transfer, public tenders, the use or exercise of any financial instrument, derivative and, in particular, by the implementation of options transactions such as purchase and sale of put or call options, either directly or through an investment services provider, in accordance with applicable laws and regulations.

5. This authorization is granted for a period of 18 months as of the date of this Meeting and terminates the authorization granted under the twelfth resolution approved at the May 16, 2008 Combined Shareholders' Meeting.

As a result, the Shareholders' Meeting grants full authority to the Board of Directors, with a right of further delegation, to implement this authorization, submit any stock exchange orders, complete all steps and declarations with any entities and, in general, take all necessary actions.

The Board of Directors must inform the Shareholders' Meeting of the transactions so completed, in accordance with applicable laws and regulations.



➤ EXTRAORDINARY part

CHANGE IN THE COMPANY'S PURPOSE – CORRESPONDING AMENDMENT OF THE BY-LAWS

SIXTEENTH RESOLUTION

The Shareholders' Meeting, in accordance with the quorum and majority requirements for extraordinary shareholders' meetings, after having reviewed the Report of the Board of Directors, decides to amend Article 3 of the Company's by-laws as follows:

➤ the following paragraph is inserted between the 4th and 5th paragraphs:

"the supply, as mother Company, of support, advisory, coordination, management and animation services to Rhodia subsidiaries;"

AUTHORIZATION GRANTED TO THE BOARD OF DIRECTORS FOR 24 MONTHS TO REDUCE STATED CAPITAL BY CANCELING TREASURY SHARES

SEVENTEENTH RESOLUTION

The Shareholders' Meeting, in accordance with the quorum and majority requirements for extraordinary shareholders' meetings, after having reviewed the report of the Board of Directors and the Special Report of the Statutory Auditors, authorizes the Board of Directors to cancel, at its own discretion, on one or more occasions, up to 10% of the Company's stated capital, per twenty-four month period, all or part of the shares purchased pursuant to the authorization approved in the fifteenth resolution of this Shareholders' Meeting and those purchased pursuant to the authorization approved at the May 16, 2008 shareholders' meeting, and to reduce capital accordingly.

This authorization is granted for a period of twenty-four months as from the date hereof. It replaces the authorization approved at the May 16, 2008 shareholders' meeting in its thirteenth resolution.

Full authority is granted to the Board of Directors to implement this authorization, amend the by-laws, apply the difference between the book and nominal values of the cancelled shares against any reserves or premiums account and, with a right of further delegation, to complete the formalities required to reduce capital in accordance with this resolution.

AUTHORIZATION TO BE GRANTED TO THE BOARD OF DIRECTORS TO PROCEED TO FREE ALLOCATIONS OF SHARES

EIGHTEENTH RESOLUTION

The Shareholders' Meeting, in accordance with the quorum and majority requirements for extraordinary shareholders' meetings, after having reviewed the report of the Board of Directors and the Special Report of the Statutory Auditors, in accordance with the Articles L. 225-197-1 et seq. of the Commercial Code:

1. Authorizes the Board of Directors to proceed, on one or more occasions, free allocations of existing or to be issued shares of the Company to beneficiaries that it shall determine, in compliance with applicable laws and regulations, among (i) employees, or certain categories thereof, of the Company and/or the companies or

groupings directly or indirectly affiliated therewith in accordance with Article L. 225-197-2 of the Commercial Code or (ii) the Company's Chairman and Chief Executive Officer and/or the Deputy General Managers of the Company or certain of them, and/or the officers and directors of the companies or groupings directly or indirectly affiliated therewith, in compliance with Article L. 225-197-2 of the Commercial Code.

2. Decides that each of the attributions so effected pursuant to this resolution shall provide for the fulfillment of one or more performance conditions, decides that the Board of Directors shall identify the beneficiaries of the attributions, as well as the terms, conditions and, as the case may be, the shares attribution criteria.
3. Decides that the total number of shares freely attributed pursuant to this resolution may not represent more than 1% of stated capital as at the date of the decision of the Board of Directors.
4. Decides that the attribution of the shares to their beneficiaries will only become final either (i) at the expiration of a minimum two-year vesting period and the beneficiaries must then retain said shares for a minimum term of two years as from their final attribution, or (ii) at the expiration of a minimum vesting period of four years, and in such event without a minimum retention period, it being understood that the Board of Directors shall have the right to select either option and apply them alternatively or simultaneously, and may, in the first case extend the vesting and/or retention period, and, in the second case, extend the vesting period and/or provide for a retention period. However, in the event of the disability of a beneficiary meeting the conditions set forth in Article L. 225-197-1 of the Commercial Code, the final attribution of the shares will take place prior to the expiration of the vesting period.
5. Notes that, in the event of an attribution of new shares this authorization will result, as said shares vest, in a capital increase through the incorporation of reserves, profits or issuance premiums to the beneficiaries of said shares and a corresponding waiver by the shareholders in favor of the beneficiaries of said shares of their preemptive subscription right over said shares.

This authorization is granted for a period of 26 months as from the date of this Meeting and terminates the authorization granted pursuant to the sixteenth resolution approved at the May 3, 2007 Combined Shareholders' Meeting.

The Shareholders' Meeting delegates full authority to the Board of Directors, with a right of further delegation as provided for by laws and by-laws, to implement this authorization. The Board of Directors shall have full authority to, in particular, determine the identity of the beneficiaries or the category or categories of beneficiaries, the attributions of shares and the number of shares granted to each of them; determine the terms and conditions and, as the case may be, the vesting criteria for the shares; provide for the right to temporarily suspend attribution rights as provided for by applicable laws and regulations; formally acknowledge the final vesting dates and the dates on which the shares may be freely sold in accordance with this resolution and in light of legal restrictions; register the shares so freely granted at no cost in a by-name account in the name of the holder thereof, give notice, as the case may be, of any lock-up period and the term thereof, and waive the lock-up period for the shares under any circumstance in which this resolution or



TEXT OF THE PROPOSED RESOLUTIONS

applicable law allows the lock-up period to be waived; provided for the right to, if necessary, adjust the number of shares granted at no cost to preserve the rights of the beneficiaries in connection with any transactions affecting the Company's equity during the vesting period as listed in Article L 225-181, para. 2 of the Commercial Code as it may determine; in the event of the issue of new shares, allocate, if appropriate, to the reserves, profits or issuance premiums of its choice, the amounts necessary to pay in said shares, formally acknowledge the completion of the capital increases completed pursuant to this authorization, correspondingly amend the by-laws and, in general, take all necessary actions and formalities.

AUTHORIZATION TO BE GRANTED TO THE BOARD OF DIRECTORS TO GRANT SHARE SUBSCRIPTION OR PURCHASE OPTIONS

NINETEENTH RESOLUTION

The Shareholders' Meeting, in accordance with the quorum and majority requirements for extraordinary shareholders' meetings, after having reviewed the report of the Board of Directors and the Special Report of the Statutory Auditors:

1. Authorizes the Board of Directors, under the provisions of Articles L 225-177 to L 225-186-1 of the Commercial Code, to grant, on one or more occasions, options granting a right to subscribe for new shares of the Company or purchase existing shares of the Company purchased as provided for by law.
2. Decides that the beneficiaries of the attributions may be:
 - employees, or certain thereof, of the Company and/or the companies or groupings directly or indirectly affiliated therewith as provided for in Article L. 225-180 of the French Commercial Code, in the first hand; or
 - the Company's Chairman and Chief Executive Officer and/or Deputy General Managers or certain thereof and/or the officers and directors of the companies or groupings directly or indirectly affiliated therewith in accordance with Article L. 225-180 of the French Commercial Code, in the second hand.
3. Hereby decides to set at 1% of stated capital as at the date of the decision of the Board of Directors the maximum total number of new or current shares to which the subscription or purchase options granted to beneficiaries may give rise.
4. Hereby decides, if subscription options are granted, that the share subscription price paid by the beneficiaries will be set on the day that the options are granted by the Board of Directors and may not be less than the average of the opening share prices on Euronext Paris – or on any other equivalent market that replaces it – on the 20 trading days prior to the date the subscription options are granted, i.e., with no discount.
5. Hereby decides, if purchase options are granted, that the share purchase price paid by the beneficiaries will be set on the day that the options are granted by the Board of Directors and may not be less than the average share opening price on Euronext Paris – or on any other equivalent market that replaces it – on the 20 trading days prior to the date the purchase options are granted, i.e., with no discount, nor less than the average purchase price of the treasury stock held

by the Company under Articles L 225-208 and L 225-209 of the Commercial Code.

6. Acknowledges that the subscription or purchase options may only be granted in accordance with the time periods set forth in Article L 225-177 of the aforementioned Code.
7. Acknowledges that, pursuant to Article L 225-178 of the Commercial Code, this authorization constitutes an express waiver by the shareholders in favor of the beneficiaries of the subscription options of their preemptive subscription right for the shares that will be issued as the options are exercised.
8. This authorization is granted for a term of 26 months from the date of this Meeting and terminates the authorization granted pursuant to the seventeenth resolution approved at the May 3, 2007 Combined Shareholders' Meeting.
9. Hereby delegates all authority to the Board of Directors, with the right to further delegate as provided for by law, to determine the other terms, conditions and procedure for the attribution and exercise of the options and, in particular, to:
 - determine the conditions under which the options will be granted, in particular, restrict, limit or prohibit (i) option exercises, or (ii) the transfer or conversion to bearer securities of the shares subscribed for or acquired, as the case may be, by exercising options, during certain periods or after certain events, and establish a list of option beneficiaries as provided for above; determine the conditions under which the price and number of shares may be adjusted, in particular to take into consideration financial transactions effected by the Company,
 - determine the period(s) for exercising the options so granted; the term of the options may not exceed eight years after their attribution date;
 - retain the right to temporarily suspend the option exercise for a maximum period of three months if a financial transaction are undertaken that affect the exercise of a right attached to shares;
 - complete or have completed all actions and formalities to finalize the capital increase(s) that may be effected pursuant to the authorization set forth in this resolution; accordingly amend the by-laws, and, in general, take all necessary actions, and
 - at its sole discretion and if it deems appropriate, allocate the costs of the capital increases to the premiums related to said increases and apply said amount against the amounts necessary to increase the statutory reserve to one-tenth of the new stated capital after each such increase.

AUTHORITY

TWENTIETH RESOLUTION

The Shareholders' Meeting decides to give all necessary authority to a holder of an original, copy or extract of the minutes of this Combined Shareholders' Meeting to carry out any legal formalities, file any documents and arrange any advertisements and declarations provided for by the applicable laws and regulations, as a result of the decisions taken under the terms of the foregoing resolutions and/or any additional resolutions.



Auditors' reports

➤ Special Report of the Statutory Auditors on regulated agreements and commitments

Dear Shareholders,

In our capacity as statutory auditors of your Company, we hereby present to you our report on the regulated agreements and commitments.

1 – AGREEMENTS AND COMMITMENTS AUTHORIZED DURING THE YEAR AND THROUGH THE DATE OF THE PRESENT REPORT

In accordance with article L. 225-40 of the French commercial Code ("*Code de commerce*") we have been advised of agreements and commitments which have been previously authorised by your Board of Directors.

We are not required to ascertain whether any other agreements or commitments exist but to inform you, on the basis of the information provided to us, of the terms and conditions of the agreements and commitments of which we were notified. It is not our role to determine whether they are beneficial or appropriate. It is your responsibility, under the terms of article R. 225-31 of the French Commercial Code, to evaluate the benefits arising from these agreements and commitments prior to their approval.

We conducted our work in accordance with professional standards applicable in France; those standards require that we perform the procedures deemed necessary so as to verify that the information provided to us is in agreement with the underlying documentation from which it was extracted.

1.1 – Agreement relating to the mandate of the Chairman and Chief Executive Officer (*Président-Directeur Général*)

Concerned individual: **Mr. Jean-Pierre Clamadieu**

The Board, on the occasion of the meeting held on March 16, 2009, decided to authorize the conclusion of an agreement with Mr. Clamadieu, providing for a non-compete and non-solicitation clause, as well as certain undertakings and advantages in the context of the performance of his mandate as Chairman and CEO (*Président-Directeur Général*) and, as the case may be, the termination thereof. Such undertakings were formalized by an agreement relating to the mandate of the Chairman and CEO.

Such agreement:

➤ provides that the obligations under the Agreement are subject to the prior resignation of Mr. Clamadieu pursuant to his employment contract before June 1st, 2009. Such resignation entails express waiver

by Mr. Clamadieu of all the advantages and contractual indemnities that he could have benefited from pursuant to the performance or termination of his employment contract;

- provides for a non-compete and non-solicitation undertaking by Mr. Clamadieu. Therefore, in case of termination of his mandate as Chairman and CEO, Mr. Clamadieu undertakes, for a period of 2 years, not to (i) conduct any activity to the benefit of a company which is active in the chemical sector in any territory in which the Rhodia Group is located, and (ii) contact any member of the Rhodia Executive Committee to offer him an activity in his own favor or in favor of an entity in which he would have an interest. As consideration, Rhodia undertakes to pay Mr. Clamadieu, for a period of two years as from the termination of his duties, a quarterly gross compensation of €220,000;
- also provides that Rhodia shall grant Mr. Clamadieu an advantage in kind consisting of a complementary health and life insurance policy;
- confirms that the years during which he acts as Chairman & CEO and the compensation received pursuant thereto shall be taken into account in calculating the rights (in particular, the base compensation and group seniority) that Mr. Clamadieu could benefit from under the Supplemental Retirement Plan for officers and directors ("*RSD*"), being noted that Mr. Clamadieu, as a member of management committees and his seniority within the group, became a potential beneficiary under such plan prior to his appointment as Chairman & CEO.

The supplemental retirement regime in favor of directors and officers called "*RSD*" (defined benefits pension plan) was created in 2001 in favor of the new members of the Management members of the General Executive Committee and provides for the payment of a supplemental retirement benefit, subject to the following cumulative conditions: (i) to have acquired a 10-year group seniority and a 1-year seniority within the General Executive Committee (as employee, director or officer) and (ii) to be within the Rhodia group at the time of exercising one's retirement rights or to have left the Rhodia group after 55 years-old without having exercised any activity thereafter. The supplemental retirement indemnity to which such plan can give rise is equal to a certain percentage of the beneficiary's base compensation in excess of the ceilings of tranches B and C AGIRC, increased for each year of seniority in excess of 10 years. However, this yearly supplemental retirement indemnity can in no event enable the beneficiary to receive an amount exceeding (i) 45% of his base compensation under all the



AUDITORS' REPORTS

plans borne by Rhodia or (ii) 55% of his base compensation under all the indemnities whatsoever received by such beneficiary;

- provides that, in the event of termination of his duties as Chairman & CEO and subject to any performance conditions provided for in the plans, the rights attached to the share free attribution and subscription or purchase options that Mr. Clamadieu benefited or will benefit from will be maintained. The agreement specifies that any future plan that may benefit to Mr. Clamadieu will, for so long as he holds a corporate office, be subject to performance conditions;
- provides that the effectiveness of this agreement will entail the termination of the Severance Agreement concluded on March 26, 2007 and approved at the May 3, 2007 Shareholders' Meeting, as amended on March 24, 2008 and approved at the May 16, 2008 Shareholders' Meeting.

2. – CONTINUING AGREEMENTS AND COMMITMENTS WHICH WERE ENTERED INTO IN PRIOR YEARS

Moreover, in accordance with the French Commercial Code (or French Commercial Law), we have been informed of the following agreements and commitments, which were approved during previous years and which were applicable during the period.

2.1 – Employment agreement of a Director

Director concerned by the agreement or commitment:
Mr. Jacques Khélif

According to his employment contract, Mr. Jacques Khélif, Director and Vice President for Sustainable Development of the Rhodia Group, is still receiving a fix annual compensation amounting to €200,000 since 2008.

2.2 – Guarantee authorized pursuant to a program of securitization of commercial loans

On December 21st, 2004, Rhodia S.A. and certain of its European subsidiaries concluded a series of contracts with a French bank putting into place a five year program for the securitization of commercial debt, for a maximum financing amount of €300 million. In particular, Rhodia S.A. committed itself to guarantee the payment of any amount due by its subsidiaries as part of this program.

At December 31, 2008, the amount of financing obtained under this program amounted to approximately €37 million.

Neuilly-sur-Seine and Paris La Défense, March 19, 2009

STATUTORY AUDITORS

PRICEWATERHOUSECOOPERS AUDIT

Christian PERRIER

KPMG AUDIT

Département de KPMG S.A.

Denis MARANGÉ



➤ Auditor's report regarding the equity transactions provided for in resolutions 17, 18 and 19 of the Shareholders' meeting held on 20th May 2009

In our capacity as auditors of your Company and pursuant to the duties set forth in the French Commercial Code, we hereby submit to you our report on the transactions on which you have been requested to vote.

Report of the Statutory Auditors on reducing Capital by canceling shares (resolution 17)

Pursuant to Article L. 225-209, para. 7, of the French Commercial Code governing capital reductions through the cancellation of Company's shares, we have prepared this report to provide you with our assessment of the bases for and terms and conditions of the planned capital reduction.

We have undertaken the steps we deemed necessary in this assignment in accordance with the professional rules of the National Auditors Association (*Compagnie nationale des Commissaires aux comptes*) applicable to our activities. These steps consisted of determining whether the bases for and terms and conditions of the capital reduction are appropriate.

This transaction is part of your Company's program to purchase up to 10% of its equity (its own shares), as provided for in Article L. 225-209 of the French Commercial Code. This purchase authorization is also being submitted for approval at your shareholders' meeting and would be given for a period of 18 months.

Your board is requesting that, for a period of 24 months, in order to implement the authorization for your Company to purchase its own shares, you delegate to it all authority to cancel all or part of the shares acquired, up to 10% of its capital, on one or more occasions, during said 24-month period.

We have no comments to make on the bases for and terms and conditions of the planned capital reduction. Please note that it may only be effected if approved at your shareholders' meeting prior to your Company purchasing its own shares according to the resolution 15.

Free allocation of current common shares, or common shares to be issued, of your Company to employees, officers and directors (resolution 18)

Pursuant to the duties set forth in Article L.225-197-1 of the French Commercial Code, we have prepared this report on the proposed free allocation of current or future shares to be issued to the employees and officers and directors of the Company and/or the companies or grouping affiliated with it within the meaning of Article L. 225-197-2 of the French Commercial Code.

Your Board of Directors is requesting that you authorize it to effect free allocations of current or future shares. It must prepare a report on the transaction that it would like to undertake. We must submit any comments we have on the information that has been provided to you regarding the proposed transaction.

We have undertaken the steps we deemed necessary in this assignment. These steps consisted of verifying, inter alia, the proposed procedures and data in the Board of Directors' report which are covered by legal provisions.

We have no qualifications to issue with respect to the information provided in the report of the Board of Directors regarding the planned free allocation of shares.

Attribution of share subscription or purchase options to employees, officers and directors (resolution 19)

Pursuant to the duties set forth in Article L. 225-177 and R.225-144 of the French Commercial Code, we have prepared this report on issuing share subscription or purchase options to the employees and officers and directors of the Company.

Your Board of Directors must prepare a report on the reasons for issuing share subscription or purchase options, as well as on the proposed procedures for determining the subscription or purchase price. We must submit our opinion to you on the proposed procedures for determining the subscription or purchase price.

We have undertaken the steps we deemed necessary in this assignment in accordance with the professional rules of the National Auditors Association (*Compagnie nationale des Commissaires aux comptes*) applicable to our activities. These steps consisted of determining whether the procedures for determining the subscription or purchase price stated in your Board of Directors report comply with legal requirements by providing sufficient information to shareholders and that they are not clearly insufficient.

We have no comment on the proposed procedures.

Neuilly-sur-Seine and Paris La Défense, March 19, 2009

The Auditors

PRICEWATERHOUSECOOPERS AUDIT

Christian PERRIER

KPMG AUDIT
Département de KPMG S.A.

Denis MARANGÉ



Practical information and access map

➤ For additional information:

- Helpline number: 0 800 525 525 (free call from a land line number)
- E-mail address: actionnaires@eu.rhodia.com
- Internet: go to « Investors » of the www.rhodia.com website

➤ To go to the Pavillon d'Armenonville:



By car

Paris ring road: exit Porte Maillot
or exit Porte Dauphine
Unlimited free car park

By metro

Ligne 1 (La Défense- Château de Vincennes) -
Station Porte Maillot
(Exit avenue Charles de Gaulle)

By RER

Ligne C - Station Neuilly-Porte Maillot-
Palais des Congrès

By bus

Lignes 82, 73, 43, 244, PC (Paris ring road bus)

A shuttle will drive you between the Porte Maillot and the Pavillon d'Armenonville from 2 pm till 6 pm.

Meeting point will be identified with Rhodia's flag.



Notes



Notes



A *société anonyme* with share capital of €1,213,044,816 euros
 Immeuble Cœur Défense – Tour A
 110 esplanade Charles de Gaulle – 92400 COURBEVOIE - France
 352 170 161 RCS Nanterre



Request for documents and additional information

pursuant to Article R. 225-83 of the French Commercial Code

ANNUAL GENERAL MEETING OF SHAREHOLDERS

May 20, 2009

at the "Pavillon d'Armenonville",
 Allée de Longchamp, Bois de Boulogne,
 75116 PARIS - France

**This form should be returned to
 Société Générale,
 Service des Assemblées,
 32 rue du Champ-de-Tir, BP 81236
 44312 NANTES Cedex 3 – France
 or to the intermediary responsible for
 managing your share account.**

I, the undersigned,

Mr. Mrs Miss

LAST NAME (or Company name):

First name:

Address:

Town:

Owner of.....shares of Rhodia

Requests a copy of the documents and information concerning the Annual General Meeting (Ordinary and Extraordinary) as provided by article R. 225-83 of the French Commercial Code.

Done at:, on: 2009

Signature

NOTA: Pursuant to article R. 225-88 of the French Commercial Code, the owner of Registered Shares may obtain copies of the document and information covered by articles R. 225-81 and R. 225-83 of the aforementioned Code for each subsequent General Meeting by making a single request. In the event that the shareholder wants to benefit from this option, he or she should mention this fact on this form.

This form should be returned to Société Générale, Service des Assemblées, 32 rue du Champ-de-Tir, BP 81236 – 44312 NANTES Cedex 3 or to the intermediary responsible for managing your share account.

A SOCIÉTÉ ANONYME
WITH SHARE CAPITAL
OF 1,213,044,816 EUROS
352 170 161 RCS NANTERRE
Immeuble Cœur Défense – Tour A
110 Esplanade Charles de Gaulle
92400 COURBEVOIE – FRANCE



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