CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Quarter ended
March 31, 2008

Rhodia

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A. Consolidated statement of income

(in millions of euros)	Note	Quarter ended March 31,		Year ended December 31,
		2008*	2007*	2007*
Net sales	**5**	**1,186**	**1,186**	**4,781**
Other revenue	5	151	150	463
Cost of sales		(1,082)	(1,055)	(4,168)
Administrative and selling expenses		(137)	(135)	(506)
Research and development expenditure		(20)	(21)	(93)
Restructuring costs	6	(2)	(19)	(55)
Other operating income / (expenses)	7	(3)	19	-
Operating profit/(loss)	**5**	**93**	**125**	**422**
Finance income	8	34	31	129
Finance costs	8	(77)	(149)	(420)
Foreign exchange gains/(losses)	8	1	-	(3)
Share of profit/(loss) of associates		-	-	2
Profit/(loss) before income tax		**51**	**7**	**130**
Income tax benefit/(expense)	9	(11)	(26)	(83)
Profit/(loss) from continuing operations		40	(19)	47
Profit/(loss) from discontinued operations	10	2	79	84
Net profit for the period	**4**	**42**	**60**	**131**
Attributable to:				
Equity holders of Rhodia S.A.		42	59	129
Minority interests		-	1	2
Earnings per share (in euros)				
Continuing and discontinued operations				
- Basic		**0.41**	**0.59**	**1.29**
- Diluted		**0.41**	**0.59**	**1.27**
Continuing operations				
- Basic		**0.39**	**(0.19)**	**0.46**
- Diluted		**0.38**	**(0.19)**	**0.45**
Weighted average number of shares before dilution		*100,967,329*	*100,349,263*	*100,357,347*
Weighted average number of shares after dilution		*101,716,285*	*101,110,979*	*101,636,057*

*Unaudited

B. Consolidated balance sheet

Assets

(in millions of euros)	Note	At March 31, 2008*	At December 31, 2007
Property, plant and equipment		1,512	1,686
Goodwill		193	207
Other intangible assets		216	183
Investments in associates		13	13
Other non-current financial assets		104	113
Deferred tax assets		157	161
Non-current assets		**2,195**	**2,363**
Inventories		599	583
Income tax receivable		7	12
Trade and other receivables		1,022	965
Derivative financial instruments		120	96
Other current financial assets		20	19
Cash and cash equivalents	12	449	415
Assets classified as held for sale		157	25
Current assets		**2,374**	**2,115**
TOTAL ASSETS		**4,569**	**4,478**

*Unaudited

Equity deficit and liabilities

(in millions of euros)	Note	At March 31, 2008*	At December 31, 2007
Share capital	11	1,213	1,204
Additional paid-in capital	11	138	147
Other reserves	11	99	123
Deficit	11	(1,754)	(1,863)
Equity deficit attributable to equity holders of Rhodia S.A.		***(304)***	***(389)***
Minority interests	11	20	21
Total equity deficit		**(284)**	**(368)**
Borrowings	13	1,652	1,675
Retirement benefits and similar obligations	14	1,061	1,154
Provisions	15	303	318
Deferred tax liabilities		46	43
Other non-current liabilities		54	29
Non-current liabilities		**3,116**	**3,219**
Borrowings	13	346	243
Derivative financial instruments		76	68
Retirement benefits and similar obligations	14	77	92
Provisions	15	118	138
Income tax payable		11	8
Trade and other payables		1,072	1,071
Liabilities associated with assets classified as held for sale		37	7
Current liabilities		**1,737**	**1,627**
TOTAL EQUITY DEFICIT AND LIABILITIES		**4,569**	**4,478**

*Unaudited

C. Consolidated statement of recognized income and expense

		Quarter ended March 31,	
(in millions of euros)	**Note**	**2008***	**2007***
Currency translation differences	11	(33)	9
Gains/(losses) on cash flow hedges	11	8	7
Actuarial gains/(losses) on retirement benefits	14	66	37
Tax impact of items taken to equity		(3)	-
Net income directly recognized in equity	**11**	**38**	**53**
Net profit for the period		42	60
Total recognized income and expense		**80**	**113**
Attributable to:			
Equity holders of Rhodia S.A.		81	112
Minority interests		(1)	1

*Unaudited

D. Consolidated statement of cash flows

	Quarter ended March 31,	
(in millions of euros)	**2008***	**2007***
Net profit for the period attributable to equity holders of Rhodia S.A.	**42**	**59**
Adjustments for:		
Minority interests	-	1
Depreciation and impairment of non-current assets	74	75
Net increase/(decrease) in provisions and employee benefits	(23)	3
Other income and expense	10	19
Gain/(loss) on disposal of non-current assets	-	(119)
Income tax expense/(income)	(3)	6
Foreign exchange losses/(gains)	19	1
Net cash flow from operating activities before changes in working capital	**119**	**45**
Changes in working capital		
- (Increase)/decrease in inventories	(64)	(5)
- (Increase)/decrease in trade receivables	(47)	(38)
- Increase/(decrease) in trade payables	36	(65)
- Increase/(decrease) in other current assets and liabilities	(18)	3
Net cash from operating activities	**26**	**(60)**
Purchases of property, plant and equipment	(59)	(68)
Purchases of other non-current assets	(14)	(14)
Proceeds on disposals of entities, net of cash transferred, and non-current assets	2	288
(Purchases)/repayments of loans and financial investments	5	1
Net cash from/(used by) investing activities	**(66)**	**207**
New non-current borrowings, net of costs	-	59
Repayments of non-current borrowings, net of costs	(6)	(365)
Net increase/(decrease) in current borrowings	92	92
Net cash from/(used by) financing activities	**86**	**(214)**
Effect of foreign exchange rate changes	**(12)**	**1**
Net increase/(decrease) in cash and cash equivalents	**34**	**(66)**
Cash and cash equivalents at the beginning of the period	415	467
Cash and cash equivalents at the end of the period	449	401

*Unaudited

E. Notes to the condensed consolidated financial statements

1. General information

Rhodia S.A. and its subsidiaries ("Rhodia" or the "Group") produce, market and develop chemicals. Rhodia is the partner of major players in the automotive, tire, electronics, perfume, health & beauty and home care markets.

Rhodia has offices worldwide and specifically in Europe, the United States, Brazil and Asia.

Rhodia S.A. is a public limited company registered and domiciled in France. Its registered office is located at Paris–La Défense.

The company is listed on Euronext Paris.

These condensed consolidated financial statements were reviewed on May 5, 2008 by the Board of Directors.

2. Principal accounting methods

2.1. Accounting standards

Rhodia prepares its condensed consolidated financial statements on a quarterly basis, in accordance with IAS 34, *Interim financial reporting*. They do not include all the information required for the preparation of the annual financial statements and should be read in accordance with the consolidated financial statements for the year ended December 31, 2007, as included in the reference document filed by Rhodia with the AMF on March 31, 2008.

2.2. Basic principles used for preparation of the financial statements

The condensed consolidated financial statements for the quarter ended Mars 31, 2008 were prepared using the same accounting methods as those adopted for the preparation of the consolidated financial statements for the year ended December 31, 2007.
The standards, interpretations and amendments adopted by the European Union at Mars 31, 2008 and their mandatory adoption in 2008 had no impact on the condensed consolidated financial statements for the quarter ended March 31, 2008. Rhodia has decided not to adopt IFRS 8 *Operating segments* for the March 31, 2008 financial statements.
According to the Group, the other standards, interpretations and amendments already adopted by the European Union but not yet applicable will have no impact on the financial statements.

The condensed consolidated financial statements are presented in euros and rounded up to the nearest million unless otherwise indicated.

2.3. Estimates

The preparation of financial statements requires the use of estimates and the formulation of judgments and assumptions that have an impact on the application of accounting methods and the amounts shown in the financial statements.

For the preparation of the condensed consolidated financial statements, management made estimates and formulated judgments and assumptions for the same items as those used for the preparation of the consolidated financial statements for the year ended December 31, 2007, except with respect to the following:

- Income tax expense

For interim period-ends, the income tax expense is calculated, for each Group tax entity, by applying the estimated average effective tax rate for the current year to the pre-tax profit or loss for the interim period. This tax rate is calculated by taking into account previously unrecognized deferred tax assets, whose recovery is deemed probable. This probability is estimated according to the same criteria as those applied to annual period-ends.

- Retirement obligations and other long-term employee benefits

For interim period-ends, retirement obligations and other long-term employee benefits are calculated using an extrapolation from the actuarial assessments performed at the previous period-end. These assessments are modified in the event of any significant change in market conditions compared to the previous year or curtailments, settlements or any other material one-off events.

Fluctuations in long-term interest rates (high quality corporate bonds) in the first quarter of 2008 led Rhodia to re-estimate retirement obligations and other benefits granted to United Kingdom and France employees. This re-estimate was performed by independent actuaries. The fair value of the corresponding plan assets was also re-estimated and there was no material impact on the obligations.

- Environmental provisions

Due to significant fluctuations in risk-free interest rates (government bonds) in the Euro zone and the United States, environmental provisions were re-estimated at March 31, 2008.

Notes to the consolidated income statement

3. Unusual items with an impact on the condensed consolidated financial statements

No material unusual items had an impact on the condensed consolidated financial statements for the quarter ended March 31, 2008.

4. Seasonality effects

The Group's activity and operating results in the quarter ended March 31, 2008 were not of a seasonal or cyclical nature compared to the activity and operating results for the entire year.

5. Segment information

The following information concerns continuing operations. Information on discontinued operations is presented in Note 10.

Following the announcement of the plan to sell the Isocyanates business, the company Organics was discontinued. Its 3 businesses were restructured as follows:

- the Isocyanates business was classified as a discontinued operation,
- the Diphenols business was transferred to Silcea,
- the Fine Chemicals business was transferred to Corporate and Other.

Rhodia was therefore reorganized into the following 6 companies:

- Polyamide whose group structure remains unchanged,
- Acetow whose group structure remains unchanged,
- Novecare whose group structure remains unchanged,
- Silcea which currently includes the Diphenols business of the former company Organics,
- Eco Services whose group structure remains unchanged,
- Energy Services whose group structure remains unchanged.

The 2007 figures were restated so that they could be compared with those for 2008.

5.1. Information by business segment

(in millions of euros)	Polyamide	Acetow	Novecare	Silcea	Eco Services	Energy Services	Corporate and Other	Group
Quarter ended March 31, 2008*								
Net sales	476	113	235	189	57	52	76	**1,198**
Other revenue	34	2	4	2	3	191	16	**252**
Inter-company sales - Net sales	(8)	-	(1)	(1)	-	-	(2)	**(12)**
Inter-company sales – Other revenue	(4)	(1)	(1)	(1)	-	(90)	(4)	**(101)**
External net sales	**468**	**113**	**234**	**188**	**57**	**52**	**74**	**1,186**
Other external income	30	1	3	1	3	101	12	**151**
Operating profit/(loss)	**29**	**13**	**19**	**16**	**9**	**50**	**(43)**	**93**
Profit/(loss) from financial items								**(42)**
Income tax expense								**(11)**
Profit/(loss) from continuing operations								**40**
Recurring EBITDA (1)	**52**	**20**	**28**	**27**	**13**	**53**	**(25)**	**168**

(in millions of euros)	Polyamide	Acetow	Novecare	Silcea	Eco Services	Energy Services	Corporate and Other	Group
Quarter ended March 31, 2007*								
Net sales	481	102	243	185	52	43	96	**1,202**
Other revenue	25	1	2	5	2	157	32	**224**
Inter-company sales - Net sales	(12)	-	(1)	(1)	-	-	(2)	**(16)**
Inter-company sales – Other revenue	(5)	-	(1)	(1)	-	(53)	(14)	**(74)**
External net sales	**469**	**102**	**242**	**184**	**52**	**43**	**94**	**1,186**
Other external income	20	1	1	4	2	104	18	**150**
Operating profit/(loss)	**42**	**12**	**23**	**26**	**10**	**47**	**(35)**	**125**
Profit/(loss) from financial items								**(118)**
Income tax expense								**(26)**
Profit/(loss) from continuing operations								**(19)**
Recurring EBITDA (1)	**67**	**20**	**30**	**36**	**14**	**52**	**(23)**	**196**

*Unaudited

(1) Recurring EBITDA: Operating profit or loss before net depreciation, amortization and impairment, restructuring costs and other operating income and expenses.

(in millions of euros)	Polyamide	Acetow	Novecare	Silcea	Eco Services	Energy Services	Corporate and Other	Group
Year ended December 31, 2007*								
Net sales	1,975	441	931	736	218	202	335	4,838
Other revenue	117	6	8	22	9	482	118	762
Inter-company sales - Net sales	(40)	-	(5)	(4)	-	-	(8)	(57)
Inter-company sales – Other revenue	(18)	(3)	(1)	(6)	-	(207)	(64)	(299)
External net sales	**1,935**	**441**	**926**	**732**	**218**	**202**	**327**	**4,781**
Other external income	99	3	7	16	9	275	54	463
Operating profit/(loss)	**156**	**42**	**71**	**93**	**54**	**165**	**(159)**	**422**
Share of profit of associates							2	2
Profit/(loss) from financial items								**(294)**
Income tax expense								**(83)**
Profit/(loss) from continuing operations								**47**
Recurring EBITDA (1)	**280**	**83**	**109**	**138**	**70**	**181**	**(103)**	**758**

*Unaudited

(1) Recurring EBITDA: Operating profit or loss before net depreciation, amortization and impairment, restructuring costs and other operating income and expenses.

The 2008 net sales of Energy Services primarily stem from the sale of Certified Emission Rights (CER).

Depreciation, amortization and impairment of property, plant and equipment and intangible assets for the period by business segment break down as follows:

(in millions of euros)	Polyamide	Acetow	Novecare	Silcea	Eco Services	Energy Services	Corporate and Other	Group
Quarter ended March 31, 2008*								
Depreciation, amortization and impairment	(23)	(7)	(8)	(10)	(3)	(4)	(15)	**(70)**
Quarter ended March 31, 2007*								
Depreciation, amortization and impairment	(24)	(8)	(8)	(10)	(4)	(5)	(12)	**(71)**
Year ended December 31, 2007*								
Depreciation, amortization and impairment	(100)	(32)	(36)	(40)	(16)	(12)	(45)	**(281)**

*Unaudited

5.2. Information by geographical area

Total net sales and other revenue by geographical area break down as follows:

(in millions of euros)	Quarter ended March 31,		Year ended December 31,
	2008*	**2007***	**2007***
France	237	235	807
Rest of Europe	386	390	1,489
North America	211	217	832
Latin America	182	199	803
Asia and other countries	321	295	1,313
Total	**1,337**	**1,336**	**5,244**

*Unaudited

Net sales by geographical area are calculated according to the customer's geographical location.

The costs incurred for the quarters ended March 31, 2007 and 2008 with respect to the acquisition of segment assets (property, plant and equipment and intangible assets), based on the assets' geographical location, are as follows:

(in millions of euros)	March 31, 2008*	March 31, 2007*
France	31	40
Rest of Europe	5	4
North America	15	15
Latin America	10	8
Asia and other countries	12	15
Total	**73**	**82**

*Unaudited

6. Restructuring costs

(in millions of euros)	Quarter ended March 31,		Year ended December 31,
	2008*	**2007***	**2007***
New plans	(1)	(18)	(51)
Re-estimated costs of previous plans	(1)	-	(2)
Impairment of non-current assets	-	-	-
Impairment of current assets	-	(1)	(2)
Total	**(2)**	**(19)**	**(55)**

*Unaudited

7. Other operating income and expenses

(in millions of euros)	Quarter ended March 31,		Year ended December 31,
	2008*	**2007***	**2007***
Net gains or losses on disposal of assets	1	22	27
Income (expenses) related to environmental provisions	(4)	-	(14)
Other operating income and expenses	-	(3)	(13)
Total	**(3)**	**19**	**-**

*Unaudited

Environmental expenses are analyzed in Note 15.

The net disposal gains and losses recognized in 2007 mainly include the gain on the sale of the Sulfuric acid business in France to Adisséo, a subsidiary of China National Bluestar Corporation.

8. Profit/(loss) from financial items

	Quarter ended March 31,		Year ended December 31,
(in millions of euros)	**2008***	**2007***	**2007***
Finance costs	(77)	(149)	(423)
Finance income	35	31	129
Loss from financial items	**(42)**	**(118)**	**(294)**
Gross interest expense on borrowings	*(33)*	*(104)*	*(245)*
Fees and commissions on financial transactions	*(4)*	*(8)*	*(23)*
Income from cash equivalents	*6*	*4*	*17*
Income from available-for-sale financial assets	*-*	*-*	*3*
Discounting expenses	*(36)*	*(34)*	*(139)*
Expected return on pension plan assets	*22*	*24*	*94*
Gains and losses from interest rate derivatives	*1*	*(1)*	*(2)*
Foreign exchange gains and losses	*1*	*-*	*(3)*
Other	*1*	*1*	*4*

*Unaudited

For the quarter ended March 31, 2007, gross interest expense includes the €59 million loss arising from the USD 415 million early redemption of US dollar-denominated High Yield Senior notes bearing interest at 10.25% and maturing 2010.

9. Income taxes

For the period ended March 31, 2008, the income tax expense amounted to €11 million (€26 million for the period ended March 31, 2007*)*, for a profit from continuing operations before tax of €51 million (€7 million for the period ended March 31, 2007).

(in millions of euros)	March 31, 2008	March 31, 2007	December 31, 2007
Current income tax expense	(14)	(20)	(58)
Deferred tax income/(expense)	3	(6)	(25)
Total	**(11)**	**(26)**	**(83)**

*Unaudited

For the quarter ended March 31, 2008, the current income tax expense mainly corresponds to the income tax reported by the US, Brazilian and Italian entities.

The Group has not modified its estimate of the probability of recovering the deferred tax assets relating to French and British tax groups. Thus, no new deferred tax assets were recorded for the quarter ended March 31, 2008.

10. Profit/(loss) from discontinued operations

(in millions of euros)	Quarter ended March 31,		Year ended December 31,
	2008*	2007*	2007*
Net sales	77	124	354
Other revenue	3	4	14
Operating expenses, net	(77)	(145)	(360)
Finance costs, net	(1)	(2)	(4)
Profit/(loss) from discontinued operations before tax and gains/(losses) on disposals	**2**	**(19)**	**4**
Gains on disposals	-	98	80
Tax effect	-	-	-
Profit/(loss) from discontinued operations	**2**	**79**	**84**

*Unaudited

Disposals in 2007 and 2008

There were no disposals in the first quarter of 2008.

Rhodia finalized the following disposals in 2007:

- at the end of January, the Silicone business was sold to China National Bluestar Corporation.
- at the end of April, the Spanish phosphates production business of the Corporate and Other segment was sold to Misa Inc.
- on May 14, 2007, Rhodia and SNIA, joint shareholders in Nylstar, finalized the sale of their 50% interest in Nylstar to a third party designated by Nylstar's lending banks.

The disposal gains and losses recognized in 2007 mainly relate to the sale of the Silicone business and the sale of the Phosphates Production business in Spain.

Disposals in progress at March 31, 2008

At March 31, 2008, Rhodia initiated the sale of its aliphatic Isocyanates business (HDI, IPDI and derivatives), intermediates for industrial paints and coatings. These activities are essentially based in Pont-de-Claix (France) and Freeport (USA). The sale should be finalized prior to the end of 2008.

Notes to the consolidated balance sheet

11. Equity

11.1 Statement of changes in equity

(in millions of euros)*	Share capital	Additional paid-in capital	Other reserves: Hedge reserve	Other reserves: Translation reserve	Other reserves: Legal reserve	Deficit	Total	Minority interests	Total
At January 1, 2008	**1,204**	**147**	**2**	**84**	**37**	**(1,863)**	**(389)**	**21**	**(368)**
Share capital increase	9	(9)	-	-	-	-	**-**	-	**-**
Net profit/(loss) for the period	-	-	-	-	-	42	**42**	-	**42**
Income and expense directly recognized in equity	-	-	8	(32)	-	63	**39**	(1)	**38**
Other movements (1)	-	-	-	-	-	4	**4**	-	**4**
At March 31, 2008	**1,213**	**138**	**10**	**52**	**37**	**(1,754)**	**(304)**	**20**	**(284)**

*Unaudited
(1) Of which cost of allotment of bonus shares for €3.6 million

(in millions of euros)*	Share capital	Additional paid-in capital	Other reserves: Hedge reserve	Other reserves: Translation reserve	Other reserves: Legal reserve	Deficit	Total	Minority interests	Total
At January 1, 2007	**1,204**	**23**	**2**	**75**	**32**	**(1,989)**	**(653)**	**25**	**(628)**
Net profit/(loss) for the period	-	-	-	-	-	59	**59**	1	**60**
Income and expense directly recognized in equity	-	-	7	9	-	37	**53**	-	**53**
Other movements (1)	-	-	-	-	-	4	**4**	(4)	**-**
At March 31, 2007	**1,204**	**23**	**9**	**84**	**32**	**(1,889)**	**(537)**	**22**	**(515)**

*Unaudited
(1) Of which cost of allotment of bonus shares for €3.9 million

11.2 Share capital and additional paid-in capital

At March 31, 2008, Rhodia's share capital totaled €1,213,044,816, comprising 101,087,068 Rhodia shares with a par value of €12 each.
During the first quarter of 2008, the exercise of share subscription options resulted in the issue of 1,111 shares.
On January 15, 2008, Rhodia performed a capital increase in the amount of €8,617,512 relating to the 2006 bonus share allotment plan, i.e. 718,126 shares.

11.2 Dividends

No dividends were paid to the shareholders of Rhodia S.A. during the quarter ended March 31, 2008.

11.3 Translation reserve

The movement in the translation reserve attributable to equity holders of Rhodia S.A. amounted to €(32) million for the quarter ended March 31, 2008, primarily due to the appreciation of the euro in relation to the Brazilian real and the US dollar.

11.4 Other movements

On March 17, 2008, the Rhodia Board of Directors approved a new bonus share allotment plan for 342 beneficiaries (2 * 511,980 shares) subject to the conditions governing Rhodia's performance and the continued employment of the beneficiaries (see Note 17).

12. Cash and cash equivalents

12.1 Breakdown by type

(in millions of euros)	At March 31, 2008*	At December 31, 2007
Cash in bank and at hand	71	84
Cash equivalents	378	331
Total	**449**	**415**

*Unaudited

12.2 Consolidated statement of cash flows

At March 31, 2008, discontinued operations contributed to net cash from operating activities in the amount of €(4) million and net cash used by investing activities in the amount of €(4) million. They did not contribute to net cash from financing activities.

Paid finance costs, net of interest received, totaled €6 million at March 31, 2008.

Income taxes paid amounted to approximately €7 million.

13. Borrowings

During the quarter ended March 31, 2008, Rhodia did not restructure its debt.

Breakdown of borrowings by type

	At March 31, 2008*				
(in millions of euros)	**Amount at amortized cost (1)**	**Redemption value (2)**	**Fair value (3)**	**Maturity**	**Effective rates before hedging (4) - (5)**
Bilateral credit facilities	171	171	171	2009	Euribor + 0.9% / Euribor+ 2.5%/ 7%
Assignment of receivables (6)	143	143	143	2009	7.5%
Finance lease debts	2	2	2	2009	3.10% to 3.56%
Other debts	7	7	7	2009	<6%
Accrued interest payable	23	23	23	-	-
Sub-total short-term	**346**	**346**	**346**		
2006 EUR senior notes	1,078	1,100	985	10/15/2013	Euribor 3M+2.75%
OCEANE bonds	489	595	441	01/01/2014	6.29%
2004 USD senior notes	3	4	4	06/01/2010	10.3%
2004 EUR senior notes	1	1	1	06/01/2010	10.5%
Other notes	19	19	19	03/10/2009	Euribor 6M + 1.60%
Assignment of receivables (6)	13	13	13	2009-2010	5.4%
Bilateral credit facilities	21	21	21	2009-2012	Euribor +1.5% / 5.07% to 7.47%
Finance lease debts	8	8	8	2009-2014	3.10% to 3.56%
Other debts	20	20	20	2009-2014	<6%
Sub-total long-term	**1,652**	**1,781**	**1,512**		
TOTAL	**1,998**	**2,127**	**1,858**		

*Unaudited

(1)The amortized cost of the OCEANE bonds is shown after the separate recognition in equity of the share conversion option in the amount of €124 million.
(2) The amount shown for the OCEANE bonds corresponds to the principal excluding the 13.22% redemption premium.
(2) The Senior notes and the OCEANE bonds are valued on the last day of the period. The redemption value was adopted for the other borrowings.
(4) Effective interest rate before impact of hedges.
(5) Libor / Euribor rates are mainly 1, 3 or 6 months.
(6) The trade receivable securitization agreements have maturities up to 2010 with cash facilities that are renewable annually.

At December 31, 2007					
(in millions of euros)	**Amount at amortized cost (1)**	**Redemption value (2)**	**Fair value (3)**	**Maturity**	**Effective rates before hedging (4) - (5)**
Bilateral credit facilities	97	97	97	2008	Euribor + 0.9% Euribor+ 2.5%/6.5%
Assignment of receivables (6)	114	114	114	2008	6.8%
Finance lease debts	3	3	3	2008	3.37% at Euribor + 0.3%
Other debts	6	6	6	2008	<6%
Accrued interest payable	23	23	23	-	
Sub-total short-term	**243**	**243**	**243**		
2006 EUR senior notes	1,077	1,100	1,051	10/15/2013	Euribor 3M+2.75%
OCEANE	482	595	551	01/01/2014	6.29%
2004 USD senior notes	4	4	4	06/01/2010	10.3%
2004 EUR senior notes	1	1	1	06/01/2010	10.5%
Other notes	24	24	24	03/10/2009	Euribor 6M+1.6%
Assignment of receivables (6)	13	13	13	2009-2010	5.4%
Bilateral credit facilities	45	45	45	2009-2012	Euribor + 1.5% / 5.93% to 6.93%
Finance lease debts	10	10	10	2009-2014	3.1% at Euribor +0.3%
Other debts	19	19	19	2009-2014	<6%
Sub-total long-term	**1,675**	**1,811**	**1,718**	**-**	**-**
TOTAL	**1,918**	**2,054**	**1,961**	**-**	**-**

(1) The amortized cost of OCEANE is determined after separate recognition in equity of the share conversion option for €124 million.
(2) The amount shown for the OCEANE corresponds to the principal excluding the 13.22% redemption premium.
(3) Senior notes and OCEANE are measured on the last day of the period. The redemption price was adopted for other borrowings.
(4) Effective interest rate before impact of hedges.
(5) Libor / Euribor are mainly 1, 3 or 6 months.
(6) The trade receivable securitization agreements have maturities up to 2010 with cash facilities that are renewable annually.

14. Retirement benefits and similar obligations

Rhodia has adopted the option offered by the amendment to IAS 19 *Actuarial gains and losses, group plans and disclosures*, allowing for the recognition of the actuarial gains and losses on post-employment benefits arising from experience adjustments and changes in actuarial assumptions directly in equity for the period in which they occur in consideration of the increase or decrease in the obligation.

Long-term interest rates fluctuated considerably in France and the United Kingdom in relation to December 31, 2007, thus resulting in a re-estimate of retirement obligations and other long-term employee benefits for the countries concerned.

The following discount rates were used:

	France	United Kingdom
At March 31, 2008	**5.50%**	**6.00%**
At December 31, 2007	**5.25%**	**5.70%**

At the same time, the fair value of the main plan assets was re-estimated in the United Kingdom, but the impact was immaterial.

The changes in discount rates had the following impacts at March 31, 2008:

*(in millions of euros)**	**Change in discount rates**
Actuarial gains and losses recognized in equity	
Actuarial gains on retirement and other benefits	66
Obligations recognized in liabilities	
Retirement obligations	(66)
Other employee benefits	(1)
Income/(expense) recognized in profit or loss	
Other employee benefits	1

*Unaudited

The change in discount rates mainly explains the decrease in retirement obligations and similar benefits from €1,246 million at December 31, 2007 to €1,138 million at March 31, 2008.

15. Environmental provisions

Due to significant fluctuations in long-term interest rates during the first quarter of 2008 in the Euro zone and the United States, Rhodia had to re-estimate environmental provisions at March 31, 2008. The decrease in the rates used for their financial discounting at March 31, 2008 resulted in an expense of €3 million.

The discount rates used at March 31, 2008, determined by zone based on a risk-free rate (government bonds) and excluding inflation, are as follows:

	5 years	**10 years**	**20 years**
France (Euro zone)	-	1.90%	-
United Kingdom	2.40%	-	2.40%
United States	0.00%	0.90%	-
Brazil	-	-	5.50%

At March 31, 2008, environmental provisions totaled €193 million, compared to €203 million at December 31, 2007.

At March 31, 2008, there were no significant movements in contingent environmental liabilities estimated at €158 million at December 31, 2007.

16. Claims and litigation

During the quarter ended March 31, 2008, there were no new legal disputes or significant developments in litigation existing at December 31, 2007.

17. Share-based payment

On March 17, 2008, the Rhodia Board of Directors approved a new bonus share plan for 342 beneficiaries (2 * 511,980 shares) subject to the conditions governing Rhodia's performance and the continued employment of the beneficiaries. The terms and conditions of these plans are as follows:

	Plans A		Plans B	
	"2+2"	"4+0"	"2+2"	"4+0"
Number of shares	355,000	156,980	355,000	156,980
Number of beneficiaries	189	153	189	153
Grant date	March 17, 2008		March 17, 2008	
Vesting date	March 18, 2010	March 20, 2012	March 18, 2010	March 20, 2012
Holding period	Minimum March 18, 2012	-	Minimum March 18, 2012	-
Performance criteria	CFROI (Cash Flow Return On Investments), as resulting from in the consolidated financial statements of the Company for the year ended December 31, 2008, above or equal to 8%			Recurring EBITDA margin (including CER activities) as presented in the consolidated financial statements of the Company for the year ended December 31, 2008, exceeding by 2 points the average ratio of a panel of competitors
Validation of vesting conditions	Board of Directors			Board of Directors

The expense recognized with respect to share subscription plans and bonus shares in the quarter ended March 31, 2008 totaled €4.5 million. It includes €1 million for the cost of the new A and B plans (assumption under which the performance criteria of both plans will be met at December 31, 2008).

18. Subsequent events

No post closing event occurred.