

Paris November 6, 2007

**Another quarter of profitable growth drives solid EBITDA and Free Cash Flow generation**

Net Sales up 7% to 1,261 million

Recurring EBITDA\* up 20% to 192 million versus 160 million in the third quarter 2006, despite the (22) million negative impact of foreign exchange.

Recurring EBITDA margin up to 15.2% versus 13.6 % in the third quarter 2006

A positive Free Cash Flow of 53 million versus (10) million in the third quarter 2006

Free Cash Flow for the first 9 months of 2007 of 41 million, compared to a cash outflow of (124) million for the same period in 2006

**Key highlights**

9% volume growth with strong demand levels

Solid pricing +3%

Unfavorable foreign exchange, raw material and energy cost environment

Organics' restructuring continues

**Accelerated delivery on financial commitments**

Free Cash Flow generation of more than 100 million expected in 2007

Financial leverage of Net Debt on Recurring EBITDA ratio below 2 times expected at the end of 2007

"Our strong leadership positions in growing markets give us full confidence that we will continue to generate sustainable and profitable growth", said Rhodia Chief Executive Officer Jean-Pierre Clamadieu. He added: "We expect to generate more than 100 million of Free Cash Flow in 2007 and to be one year ahead in the delivery of our financial leverage commitment."

**Summary income statement**

In million	Q3 2006	Q3 2007	% Variation
Net Sales	1,179	1,261	+7%
Recurring EBITDA*	160	192	+20%
Recurring EBITDA margin on Net Sales	13.6%	15.2%	-
Operating Profit	112	115	+2.7%
Profit from continuing operations	73	47	-
Profit/(loss) from discontinued operations	(2)	(3)	-
Net Profit Group Share	70	45	-

\* Before restructuring and other operating income and expenses

**1. Results in line with 2007 objectives**

**Net Sales** rose by 7% to 1,261 million in the third quarter of 2007, from 1,179 million a year earlier. This increase was driven by a significant 9% volume growth (4.4% excluding CERs) and a 3% positive impact from price increases. Foreign exchange had a 4.4% negative impact, due to the continued weakness of the US Dollar.

**Recurring EBITDA** grew by 20% to 192 million, benefiting from the good volume trends, in spite of the negative impact of foreign exchange (22 million). Solid pricing in local currency continued to offset the impact of increases in raw material and energy costs. CER sales generated 39 million of recurring EBITDA in the third quarter of 2007.

The **recurring EBITDA margin** rose to 15.2% in the third quarter 2007 from 13.6% in the third quarter 2006.

**Operating Profit** rose by 2.7% to 115 million, versus 112 million for the third quarter 2006 which was favorably impacted by a 27 million exceptional gain.

The **Financial Result** improved to (43) million compared to (62) million in the third quarter 2006, as the Group now fully benefits from the lower interest costs resulting from the refinancing initiatives realized over the past year.

The **Net Profit Group Share** for the third quarter 2007 totaled 45 million, compared to a profit of 70 million in the third quarter 2006, which was favorably impacted by a 34 million recognition of US deferred tax assets.

**2. A positive Free Cash Flow and further Net Debt reduction**

**Operating Cash Flow** totaled 115 million in the third quarter 2007.

The ratio of **Working Capital Requirements on total sales** stood at 12.9%. **Capital Expenditure** totaled 83 million.

**Free Cash Flow\*** was 53 million, versus (10) million in the third quarter 2006 and now stands at 41 million for the first nine

months compared to a negative of (124) million for the same period in 2006.

**Consolidated Net Debt** totaled 1,623 million on September 30, 2007, a 25 million decrease from June 30, 2007.

### 3.Focusing on profitable growth

Thanks to the strength of Rhodia's business portfolio, Net Sales grew 7%, with 9% volume growth and a 3% positive impact from price increases.

**Polyamide, Silcea** and **Novecare** are high margin leadership businesses well positioned in growing markets. Investments are under way to support the growth of these businesses.

**Acetow** is finalizing its action plan to improve margins to compensate for the unfavorable foreign exchange environment.

**Organics** focuses on the development of its leadership position in Diphenols and continues its restructuring in fine organics. Recently it announced plans to end Paracetamol manufacturing at its Roussillon site in France and to end all operations at its Avonmouth site in the UK.

**Eco Services** continues to generate very high margins and **Energy Services** benefits from the ongoing sales of CERs.

\* Defined as "net cash provided by operating activities" plus "non recurring refinancing cash costs" minus Capital Expenditure"

### 4.Outlook

The level of demand is expected to remain favorable in most regions, with strong volumes and a solid pricing power, in an environment still influenced by high raw material and energy costs. The foreign exchange environment should remain unfavorable.

Rhodia confirms its 2007 outlook of a strong growth in recurring EBITDA and expects to generate more than 100 million positive Free Cash Flow for the full year 2007.

One year ahead of its commitment, Rhodia expects to achieve a Net Debt on Recurring EBITDA ratio below 2 at the end of 2007.

This press release contains elements that are not historical facts including, without limitation, certain statements on future expectations and other forward-looking statements. Such statements are based on managements current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those anticipated.

*Rhodia is an international chemical company resolutely committed to sustainable development. Leader in its businesses, the Group aims to improve its customers' performance through the pursuit of operational excellence and its ability to innovate. Structured around seven Enterprises, Rhodia is the partner of major players in the automotive, tire, electronics, perfume, health and beauty and home care markets. The Group employs around 16,000 people worldwide and generated sales of 4.8 billion in 2006. Rhodia is listed on Euronext Paris.*

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### Results Fact Sheet: Q3 2007 & YTD 30.09.07

Income Statement						
million	Q3* 2006	Q3* 2007	Variation	YTD* 30.09.06	YTD* 30.09.07	Variation
<b>Net Sales</b>	<b>1 179</b>	<b>1 261</b>	<b>7.0%</b>	<b>3 593</b>	<b>3 814</b>	<b>6.2%</b>
Other revenue	75	86	14.7%	322	326	1.2%
<b>Recurring EBITDA</b>	<b>160</b>	<b>192</b>	<b>20.0%</b>	<b>488</b>	<b>600</b>	<b>23.0%</b>
<b>Recurring EBITDA Margin **</b>	<b>13,6%<sup>(1)</sup></b>	<b>15,2%<sup>(1)</sup></b>		<b>13,6%<sup>(1)</sup></b>	<b>15,7%<sup>(1)</sup></b>	
Depreciation & Amortization	(73)	(75)		(226)	(219)	
Other Gains and Losses	27	3		23	10	
Restructuring Costs	(2)	(5)		(14)	(27)	
<b>Operating Profit</b>	<b>112</b>	<b>115</b>	<b>2.7%</b>	<b>271</b>	<b>364</b>	<b>34.3%</b>
Financial Results	(62)	(43)		(171)	(246)	
<b>Profit/(loss) before</b>						

income tax	50	72		100	118	
Income tax	23	(25)		57	(75)	
<b>Profit/(loss) from continuing operations</b>	<b>73</b>	<b>47</b>		<b>157</b>	<b>43</b>	
Profit/(loss) from discontinued operations	(2)	(3)		(43)	65	
<b>Net Profit/(loss)</b>	<b>71</b>	<b>44</b>		<b>114</b>	<b>108</b>	
<b>Net Profit/(loss) (Group Share)</b>	<b>70</b>	<b>45</b>		<b>111</b>	<b>107</b>	
Minority interests	1	(1)		3	1	

<sup>(1)</sup> Recurring EBITDA margin excluding CERs 12.7% vs 13.6% in Q3 06, 13.6% vs 13.6% in YTD 30.09.06

Q3*	Net Sales			Recurring EBITDA			Operating Profit	
	million	Q3* 2006	Q3* 2007	Variation	Q3* 2006	Q3* 2007	Variation	Q3* 2006
<b>RHODIA</b>	1 179	1 261	7.0%	160	192	20.0%	112	115
<b>POLYAMIDE</b>	479	494	3.1%	69	68	(1.4)%	46	43
<b>ACETOW</b>	108	112	3.7%	28	20	(28.6)%	20	13
<b>NOVE CARE</b>	229	227	(0.9)%	28	25	(10.7)%	20	14
<b>SILCEA</b>	98	112	14.3%	13	20	53.8%	6	11
<b>ECO SERVICES</b>	59	57	(3.4)%	23	22	(4.3)%	18	18
<b>ORGANICS</b>	213	198	(7.0)%	14	18	28.6%	6	5
<b>ENERGY SERVICES</b>	1	60		2	41		29	40
<b>CORPORATE &amp; Others</b>	(8) <sup>(1)</sup>	1 <sup>(1)</sup>		(17)	(22)		(33)	(29)

YTD 30.09.07	Net Sales			Recurring EBITDA			Operating Profit	
	million	YTD* 30.09.06	YTD* 30.09.07	Variation	YTD* 30.09.06	YTD* 30.09.07	Variation	YTD* 30.09.06
<b>RHODIA</b>	3 593	3 814	6.2%	488	600	23.0%	271	364
<b>POLYAMIDE</b>	1 421	1 484	4.4%	203	210	3.4%	129	111
<b>ACETOW</b>	330	327	(0.9)%	84	62	(26.2)%	62	40
<b>NOVE CARE</b>	714	717	0.4%	83	88	6.0%	58	60
<b>SILCEA</b>	304	342	12.5%	45	67	48.9%	24	44

<b>ECO SERVICES</b>	175	165	(5.7)%	60	58	(3.3)%	44	46
<b>ORGANICS</b>	674	627	(7.0)%	52	62	19.2%	18	38
<b>ENERGY SERVICES</b>	1	144		27	124		49	117
<b>CORPORATE &amp; Others</b>	(26) <sup>(1)</sup>	8 <sup>(1)</sup>		(66)	(71)		(113)	(92)

(1) including intercompany sales elimination

<b>Free Cash Flow</b>		
<b>Q1* 07</b>	<b>Q2* 07</b>	<b>Q3* 07</b>
(95)	83	53

<b>Net Financial Debt</b>		
<b>Mar. 31. 2007</b>	<b>Jun. 30. 2007</b>	<b>Sept. 30. 2007</b>
1 792	1 648	1 623

<b>2007 outlook</b>	<b>2008 targets</b>
Free Cash Flow generation expected to be > 100m Net Debt / EBITDA ratio < 2x expected in 2007 one year ahead of commitment Strong growth in Recurring EBITDA	Recurring EBITDA Margin** > 15% excluding CERs Establishing & maintaining a sound financial structure with a Net Debt / Recurring EBITDA ratio below 2

\* Unaudited

\*\* Calculated as Recurring EBITDA / Net Sales

#### Results Fact Sheet: Q3 2007

(all figures are in million after discontinued operations)

<b>o POLYAMIDE</b>	<b>Strong volumes (+8%) in Intermediates &amp; Engineering Plastics in Europe, Asia &amp; Brazil</b> <b>Solid pricing in local currency offsets raw material cost increases, except Adipic Acid in Asia</b> <b>Temporary disruption of Asian Adipic Acid market causing 20% price drop from record levels in Q3 2006</b> <b>7m negative Forex due to decline in USD against BRL</b>
<b>o ACETOW</b>	Negative Forex transaction due to US Dollar decline Currency hedging: H207 at \$1.34/ vs \$ 1.18/ for FY2006. Finalisation of action plan to improve cost competitiveness & regain margins to compensate for unfavourable Forex environment
<b>o NOVECARE</b>	Volume growth (+2%) in spite of slowdown in US housing market Performance solutions for Oil Field & Agro chemicals continue to grow strongly Growth projects push fixed costs higher
<b>o SILCEA</b>	Strong volume growth continues (+7%) in Silica systems (tyres) and Rare Earths (catalysis) Pricing trends offset raw material cost increases Successful integration of Alumina Washcoat business
<b>o ECO SERVICES</b>	Strong volumes and favourable pricing trends Strong sulphuric acid market

o ORGANICS	Excellent Diphenol performance with strong volumes and pricing New Chinese Diphenol plant up and running New steps in restructuring and reorganisation initiatives announced: Closure of Avonmouth & Roussillon Paracetamol plants
o ENERGY SERVICES	55m Net Sales with 39m recurring EBITDA generated from CERs, after production, selling and Group service costs Usual seasonal lapse in other activities (Cogeneration, Energy purchasing)

million	Net Sales Q3*2006	Scope	Foreign Exchange conversion	Volume & mix	Selling Price	Foreign Exchange transaction effect	Net Sales Q3* 2007
RHODIA	1 179	(7)	(19)	107	34	(33)	1 261
POLYAMIDE	479	(9)	2	37	8	(23)	494
ACETOW	108	2	(1)	4	5	(6)	112
NOVE CARE	229	0	(8)	5	2	(1)	227
SILCEA	98	5	(3)	7	6	(1)	112
ECO SERVICES	59	0	(4)	0	2	0	57
ORGANICS	213	(16)	(4)	(4)	11	(2)	198
ENERGY SERVICES	1	0	0	59	0	0	60
CORPORATE & Others including intercompany sales elimination	(8)	11	(1)	(1)	0	0	1

million	Recurring EBITDA Q3*2006	Scope	Foreign Exchange conversion	Volume & mix	Selling Price**	Raw materials & Energy	Fixed Costs	Recurring EBITDA Q3*2007	Recurring EBITDA Margin*** Q3*2007
RHODIA	160	(3)	(4)	66	3	(12)	(18)	192	15.2%
POLYAMIDE	69	(1)	0	12	(14) <sup>a</sup>	1 <sup>a</sup>	1	68	13.8%
ACETOW	28	0	0	1	(1) <sup>b</sup>	(5) <sup>b</sup>	(3)	20	17.9%
NOVE CARE	28	(2)	(1)	3	0	0	(3)	25	11.0%
SILCEA	13	2	0	4	5	(3)	(1)	20	17.9%
ECO SERVICES	23	0	(2)	0	2	1	(2)	22	38.6%
ORGANICS	14	(1)	(2)	(1)	10	(4)	2	18	9.1%
ENERGY SERVICES	2	0	0	48	0	(1)	(8)	41	
CORPORATE & Others	(17)	(1)	1	(1)	1	(1)	(4)	(22)	

\* Unaudited

\*\*Including foreign exchange transaction effect

\*\*\* Calculated as recurring EBITDA / Net Sales

<sup>a</sup>: Polyamide: Local currency price increases +8m , Local currency raw material costs -14m

<sup>b</sup>: Acetow: Local currency price increases +5m , Local currency raw material costs -7m

**Results Fact Sheet: YTD 30.09.07**

(all figures are in million after discontinued operations)

million	Net Sales YTD* 30.09.06	Scope	Foreign Exchange conversion	Volume & mix	Selling Price	Foreign Exchange transaction effect	Net Sales YTD* 30.09.07
RHODIA	3 593	(37)	(80)	252	162	(76)	3 814
POLYAMIDE	1 421	(30)	(10)	56	96	(49)	1 484
ACETOW	330	7	(5)	(3)	15	(17)	327
NOVE CARE	714	(3)	(27)	32	3	(2)	717
SILCEA	304	5	(10)	23	23	(3)	342
ECO SERVICES	175	0	(13)	6	(3)	0	165
ORGANICS	674	(51)	(13)	(5)	27	(5)	627
ENERGY SERVICES	1	0	0	143	0	0	144
CORPORATE & Others including intercompany sales elimination	(26)	35	(2)	0	1	0	8

million	Recurring EBITDA YTD* 30.09.06	Scope	Foreign Exchange conversion	Volume & mix	Selling Price**	Raw materials & Energy	Fixed Costs	Recurring EBITDA YTD* 30.09.07	Recurring EBITDA Margin*** YTD* 30.09.07
RHODIA	488	(10)	(12)	165	83	(71)	(43)	600	15.7%
POLYAMIDE	203	(5)	(1)	18	45 <sup>a</sup>	(44) <sup>a</sup>	(6)	210	14.2%
ACETOW	84	(1)	(1)	(2)	(2) <sup>b</sup>	(10) <sup>b</sup>	(6)	62	19.0%
NOVE CARE	83	(3)	(5)	15	1	4	(7)	88	12.3%
SILCEA	45	5	(1)	16	19	(14)	(3)	67	19.6%
ECO SERVICES	60	(1)	(5)	4	(2)	5	(3)	58	35.2%
ORGANICS	52	(4)	(3)	(7)	22	(8)	10	62	9.9%
ENERGY SERVICES	27	0	0	122	0	(4)	(21)	124	
CORPORATE & Others	(66)	(1)	4	(1)	0	0	(7)	(71)	

\* Unaudited

\*\*Including foreign exchange transaction effect

\*\* Calculated as recurring EBITDA / Net Sales

<sup>a</sup>: Polyamide: Local currency price increases +92m , Local currency raw material costs -76m

<sup>b</sup>: Acetow: Local currency price increases +14m , Local currency raw material costs -16m

Results Fact Sheet: YTD September 30, 2006 & 2007 results

RHODIA	Q1* 2006	Q1* 2007	Q2* 2006	Q2* 2007	H1 2006	H1 2007	Q3* 2006	Q3* 2007	YTD* 30/09/2006	YTD* 30/09/2007	Q4* 2006	2
( M )												
Net Sales	1 203	1 260	1 211	1 293	2 414	2 553	1 179	1 261	3 593	3 814	1 217	4
Recurring EBITDA	161	205	167	203	328	408	160	192	488	600	195	1
% Sales**	13.4%	16.3%	13.8%	15.7%	13.6%	16.0%	13.6%	15.2%	13.6%	15.7%	16.0%	14
Operating Profit	69	130	90	119	159	249	112	115	271	364	88	:
POLYAMIDE												
( M )												
Net Sales	464	481	478	509	942	990	479	494	1 421	1 484	501	1
Recurring EBITDA	57	67	77	75	134	142	69	68	203	210	81	:
% Sales**	12.3%	13.9%	16.1%	14.7%	14.2%	14.3%	14.4%	13.8%	14.3%	14.2%	16.2%	14
Operating Profit	32	42	51	26	83	68	46	43	129	111	43	.
ACETOW												
( M )												
Net Sales	109	102	113	113	222	215	108	112	330	327	117	.
Recurring EBITDA	30	20	26	22	56	42	28	20	84	62	24	.
% Sales**	27.5%	19.6%	23.0%	19.5%	25.2%	19.5%	25.9%	17.9%	25.5%	19%	20.5%	24
Operating Profit	21	12	21	15	42	27	20	13	62	40	16	.
NOVECARE												
( M )												
Net Sales	246	243	239	247	485	490	229	227	714	717	222	!
Recurring EBITDA	29	30	26	33	55	63	28	25	83	88	27	.
% Sales**	11.8%	12.3%	10.9%	13.4%	11.3%	12.9%	12.2%	11.0%	11.6%	12.3%	12.2%	14
Operating Profit	21	23	17	23	38	46	20	14	58	60	18	.





intercompany sales eliminations	(7)	2	(11)	5	(18)	7	(8)	1	(26)	8	(11)	(
Recurring EBITDA	(23)	(23)	(26)	(26)	(49)	(49)	(17)	(22)	(66)	(71)	(27)	(
Operating Profit	(40)	(36)	(40)	(27)	(80)	(63)	(33)	(29)	(113)	(92)	(52)	(

\* Unaudited

\*\*Calculated as recurring EBITDA / Net Sales

Consolidated income statements as of September 30, 2007

(in millions of euros)	Quarter ended September 30,		9 Months ended September 30,	
	2007 (*)	2006 (*)	2007 (*)	2006 (*)
<b>Net sales</b>	<b>1 261</b>	<b>1 179</b>	<b>3 814</b>	<b>3 593</b>
<b>Other revenue</b>	<b>86</b>	<b>75</b>	<b>326</b>	<b>322</b>
Cost of sales	(1 080)	(1 023)	(3298)	(3197)
Administrative and selling expenditure	(127)	(120)	(392)	(379)
Research and development expenses	(22)	(24)	(68)	(77)
Restructuring costs	(6)	(2)	(28)	(14)
Other operating income/(expenses)	3	27	10	23
<b>Operating profit</b>	<b>115</b>	<b>112</b>	<b>364</b>	<b>271</b>
Finance income	37	29	103	97
Finance costs	(78)	(93)	(348)	(273)
Foreign exchange gains/(losses)	(2)	2	(1)	5
Share of profit/(losses) of associates	-	-	-	-
<b>Profit/(loss) before income tax</b>	<b>72</b>	<b>50</b>	<b>118</b>	<b>100</b>
Income tax expense	(25)	23	(75)	57
Profit/(loss) from continuing operations	47	73	43	157
Profit/(loss) from discontinued operations	(3)	(2)	65	(43)
<b>Net Profit/(loss)</b>	<b>44</b>	<b>71</b>	<b>108</b>	<b>114</b>
Attributable to:				
<b>Equity holders of Rhodia SA</b>	<b>45</b>	<b>70</b>	<b>107</b>	<b>111</b>

Minority interests	(1)	1	1	3
<b>Profit/(loss) per share from continuing operations (in euro) basic and diluted</b>	<b>0.47</b>	<b>0.72</b>	<b>0.41</b>	<b>1.56</b>
<b>Profit/(loss) per share (in euro) basic and diluted</b>	<b>0.44</b>	<b>0.70</b>	<b>1.06</b>	<b>1.20</b>
Weighted average number of shares before dilution	100 361 373	100 348 847	100 353 883	98 839 527
Weighted average number of shares after dilution	101 474 774	100 623 444	101 525 667	99 146 380

\* Unaudited

**Consolidated balance sheets as of September 30, 2007**

<b>Assets</b>		
(in millions of euros)	<b>September 30, 2007<sup>(*)</sup></b>	<b>December 31, 2006</b>
Property, plant & equipment	1 704	1 760
Goodwill	214	225
Other intangible assets	175	178
Investments in associates	13	4
Other non-current financial assets	118	121
Deferred tax assets	158	183
<b>Non-current assets</b>	<b>2 382</b>	<b>2 471</b>
Inventories	596	620
Income tax receivable	9	23
Trade and other receivables	1 031	1 082
Derivative financial instruments	73	34
Other current financial assets	21	19
Cash and cash equivalents	361	467
Assets classified as held for sale	12	437
<b>Current assets</b>	<b>2 103</b>	<b>2 682</b>
<b>TOTAL ASSETS</b>	<b>4 485</b>	<b>5 153</b>

\* Unaudited

<b>Liabilities and shareholders equity</b>		
(in millions of euros)	<b>September 30, 2007<sup>(*)</sup></b>	<b>December 31, 2006</b>
Share capital	1 204	1 204

Additional paid-in capital	147	23
Other reserves	114	109
Deficit	(1 710)	(1 989)
<b>Equity attributable to equity holders of Rhodia SA</b>	<b>(245)</b>	<b>(653)</b>
Minority interests	19	25
<b>Total equity</b>	<b>(226)</b>	<b>(628)</b>
Borrowings	1 671	2 022
Retirement benefits and similar obligations	1 029	1 227
Provisions	319	306
Deferred tax liabilities	39	32
Other non-current liabilities	38	43
<b>Non-current liabilities</b>	<b>3 096</b>	<b>3 630</b>
Borrowings	334	413
Derivative financial instruments	53	34
Retirement benefits and similar obligations	63	98
Provisions	113	147
Income tax payable	28	41
Trade and other payables	1 017	1 178
Liabilities associated with assets classified as held for sale	7	240
<b>Current liabilities</b>	<b>1 615</b>	<b>2 151</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4 485</b>	<b>5 153</b>

\* Unaudited

Consolidated statements of cash flows as of September 30, 2007

	Quarter ended September 30,		9 Months ended September 30,	
	2007 (*)	2006 (*)	2007 (*)	2006 (*)
(in millions of euros)				
<b>Net Profit/(loss) attributable to equity holders of Rhodia SA</b>	<b>45</b>	<b>70</b>	<b>107</b>	<b>111</b>
<i>Adjustments for :</i>				
Minority interests	(1)	1	1	3

Depreciation, amortization and impairment of long-term assets	75	81	220	258
Net increase/(decrease) in provisions and employee benefits	(28)	(31)	(47)	(77)
Net increase/(decrease) in financial provisions	(2)	(1)	(1)	1
Other income and expense	9	2	52	4
(Gain)/loss on disposal of non-current assets	(1)	(21)	(104)	(2)
Income tax expense/(income)	8	(33)	18	(86)
Foreign exchange losses/(gains)	1	8	7	5
<b>Cash flow from operating activities before changes in working capital</b>	<b>106</b>	<b>76</b>	<b>253</b>	<b>217</b>
<i>Changes in working capital</i>				
- (Increase)/decrease in inventories and work in progress	5	(28)	16	(89)
- (Increase)/decrease in trade and other receivables	(1)	26	10	43
- Increase/(decrease) in trade and other payables	17	(23)	(83)	(97)
- (Increase)/decrease in other current assets and liabilities	9	7	14	2
<b>Net cash from / (used by) operating activities</b>	<b>136</b>	<b>58</b>	<b>210</b>	<b>76</b>
Purchases of property, plant and equipment	(69)	(61)	(199)	(174)
Purchases of other non-current assets	(14)	(7)	(42)	(26)
Proceeds on disposal of non-current assets	(4)	30	265	62
Purchases of entities, net of acquired cash and cash equivalents	(17)	-	(17)	1
(Purchases of)/repayments of loans and financial investments	-	8	(1)	11
<b>Net cash from / (used by) investing activities</b>	<b>(104)</b>	<b>(30)</b>	<b>6</b>	<b>(126)</b>
Capital increase, net of costs	(1)	1	(1)	36
Dividends paid	-	-	(3)	(2)
New non-current borrowings, net of costs	1	5	632	9
Repayments of non-current borrowings, net of costs	(5)	(7)	(911)	(508)

Net increase/(decrease) in current borrowings	(32)	16	(40)	(5)
<b>Net cash from / (used by) financing activities</b>	<b>(37)</b>	<b>15</b>	<b>(323)</b>	<b>(470)</b>
<b>Effect of foreign exchange rate changes</b>	<b>(6)</b>	<b>(1)</b>	<b>1</b>	<b>(6)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(11)</b>	<b>42</b>	<b>(106)</b>	<b>(526)</b>
Cash and cash equivalents at the beginning of the period	372	352	467	920
Cash and cash equivalents at the end of the period	361	394	361	394

\* Unaudited