



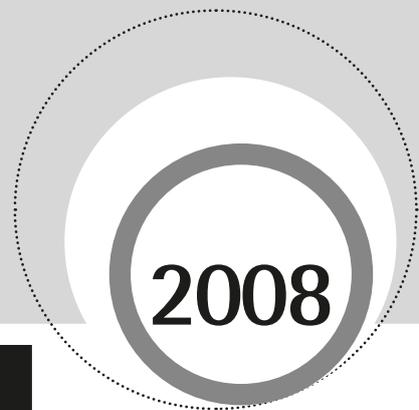
A SOCIÉTÉ ANONYME WITH SHARE CAPITAL OF 1,213,031,484 EUROS
352 170 161 RCS NANTERRE
Immeuble Cœur Défense – Tour A
110 Esplanade Charles de Gaulle – 92400 COURBEVOIE – FRANCE

Notice of meeting

COMBINED GENERAL MEETING

May 16, 2008 at 3 p.m. (Paris time)*

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



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

Dear Shareholder,

I am pleased to send you the convocation brochure for our next Combined Shareholders Meeting which shall be held on 16 May 2008* at 3 pm at the « Pavillon d'Armenonville » in Paris - Reception from 2:30 pm onwards.

On this occasion, it will be a pleasure to present the main achievements of the Group in 2007. During the past year, we continued our development efforts in the areas of potential high growth and in the businesses where we hold strong and sustained leadership positions. In China, we inaugurated a diphenol production facility on our new site at Zhenjiang and at Onsan in South Korea we opened a new Polyamide manufacturing facility.

Our operations to reduce greenhouse gas emissions have become a new business for the Group now contributing significantly to our results.

In an environment marked in 2007 by a solid demand and despite increasing raw material prices, Rhodia's performance improved strongly :

- Net profit has doubled compared to 2006 to €129m;
- Recurring Ebitda has progressed by 17%;
- Free cash flow generation amounted to €161m, after a period of several years of negative cash flow.

Lastly, the refinancing of our debt, completed in Spring 2007, enabled the Group to reduce its interest cost and strengthen our balance sheet. Rhodia has no repayments to make for at least the next 5 years.

In early 2008, we are facing an acceleration in the increases in raw material prices and energy, as well as the particularly weak dollar. However, the demand for our products remains solid, and Rhodia today is strong, with promising development perspectives in high growth regions, in particular in China and Brazil.

This confidence in the future has led the Board to propose, for the first time in 5 years, the payment of a dividend of €0.25 per share.

Over the coming years, we will continue to implement our development strategy, building on our four growth platforms Polyamide, Novicare, Silcea and Energy Services. Rhodia's commitment to sustainable development is at the centre of this strategy. This is reflected notably by results in the area of security which places Rhodia amongst the leading world chemical companies, as well as by the efforts made to reduce the impact of our operations on the environment.

I am fully aware of the concerns arising from the difficult stock market conditions which we have observed for over 6 months. I confirm that our Group has the capacity to tackle the challenges which we are facing and ensure the success of our strategy for profitable growth. I am confident in Rhodia's future and assure you of my personal commitment, as well as the commitment of all the administrators and Rhodia employees, to develop the Group.

This year, I have the honour to chair our Shareholders Meeting for the first time, and I would like to thank the Board for their trust. On behalf of the Board, I would also like to congratulate and thank Yves-René NANOT for his contribution to the Rhodia turnaround.

The next Shareholders Meeting will be a privileged opportunity for me to meet and exchange with you, and present Rhodia's situation as well as the orientations and perspectives of the Group. I would like to thank you for your support and confidence which I hope will continue.

Regards,

Jean-Pierre CLAMADIEU

Chairman and Chief Executive Officer

* In accordance with the legal provisions, the first notice of Meeting will be issued for a Meeting on May 5, at 2 p.m. to be held at the registered office at Immeuble Cœur Défense – Tour A – 110 esplanade Charles de Gaulle – 92400 COURBEVOIE ("conference" floor), France. Since all the indications are that this Meeting will not have a requested quorum to deliberate on that date, a second notice of meeting is being issued for a Meeting on May 16, 2008 at 3 pm at the "Pavillon d'Armenonville" Allée de Longchamp, Bois de Boulogne, 75116 PARIS – France.



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 dated October 3, 2003

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

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

Termination of the position after the general shareholders' meeting called to approve the financial statements for 2008.

LIST OF DIRECTORSHIPS AND OTHER POSITION 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:

Directors of subsidiaries of Groupe Rhodia

NUMBER OF RHODIA SHARES HELD:

53,934

He also holds 18,085 shares in the mutual fund "Actions Rhodia" from the Employee Stock Ownership Program corresponding to the same number of Rhodia shares.

PROFESSIONAL ACTIVITIES OVER THE PAST 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

Chief Executive Officer of Pharmacy and Agrochemicals Division (from April to October 2003)

Chief Executive Officer of Fine Organics Division (from January 2002 to April 2003)

➤ MR. ALDO CARDOSO

(born on March 7, 1956)

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

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

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

Termination of the position after the general shareholders' meeting called to approve the financial statements for 2008.

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

Current positions:

In France:

Director of Gaz de France, Imerys and Accor

Censor of Bureau Véritas and Axa Investment Managers

Abroad:

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 and Orange

NUMBER OF RHODIA SHARES HELD:

2,156

PROFESSIONAL ACTIVITIES OVER THE PAST FIVE YEARS:

Executive Chairman of Andersen Worldwide (2002-2003)



➤ MR. PASCAL COLOMBANI

(born on October 14, 1945)

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

Termination of the position after the general shareholders' meeting called to approve the financial statements for 2008

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

Current positions:

In France:

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

Abroad:

British Energy Group Plc (United Kingdom)

Positions during the last five years, no longer exercised:

Chairman of the supervisory board of Areva (from 2001 to 2003)

Director of EDF (from 2000 to 2003), Cogema (from 2000 to 2003) and of Institut Français du Pétrole (2001-2006)

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

Chairman of the Board of Directors of ENS Cachan (from 2001 to 2003)

NUMBER OF RHODIA SHARES HELD:

157

PROFESSIONAL ACTIVITIES OVER THE PAST FIVE YEARS:

Senior Advisor of A.T. Kearney since 2003

Senior Advisor of Detroyat & Associés

➤ MR. JÉRÔME CONTAMINE

(born on November 23, 1957)

Appointment by the general shareholders' meeting dated March 31, 2004

Termination of the position after the general shareholders' meeting called to approve the financial statements for 2007

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

Current positions:

In France:

Director of Veolia Transport, Veolia S.A. Propreté, VE Services-RE, VEETRA, Veolia PPP Finance and Valeo

Chairman of VE IT

Member of the supervisory board A&B of Dalkia and Dalkia France and Veolia Eau

Abroad:

Chairman of VENA O (United States)

Director and Chief Executive Officer of Veolia UK (United Kingdom),

Director of Veolia Environmental Services UK Plc (United Kingdom),

Veolia ES Holdings (United Kingdom)

Positions during the last five years, no longer exercised:

In France:

Member of the executive board of Vivendi Environment (from September 8, 2000 to April 30, 2003)

Chairman of the Board of Directors of VE Services Ré (from September 19, 2001 to June 2, 2003)

Abroad:

Director of FCC Spain (from September 27, 2000 to September 15, 2004), Cementos Portland (Spain – from November 13, 2002 to September 15, 2004) and of VENAC (United States, from August 31, 2001 to August 28, 2006)

NUMBER OF RHODIA SHARES HELD:

1,563

PROFESSIONAL ACTIVITIES OVER THE PAST FIVE YEARS:

Chief Executive Officer of Veolia Environment (since May 2003)

Deputy Executive Officer and member of the executive board of Vivendi Environment (from January 2002 to April 2003)



➤ **MR. MICHEL DE FABIANI**

(born on June 17, 1945)

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

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

Termination of the position after the general shareholders' meeting called to approve the financial statements for 2007

LIST OF DIRECTORSHIPS AND OTHER POSITION 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

Abroad:

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 OVER THE PAST 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 dated June 23, 2005

Termination of the position after the general shareholders' meeting called to approve the financial statements for 2008

NUMBER OF RHODIA SHARES HELD:

9,256

He also holds 356 shares in the mutual funds "Actions Rhodia" under the Employee Stock Ownership Program corresponding to the same number of Rhodia shares.

PROFESSIONAL ACTIVITIES OVER THE PAST FIVE YEARS:

Manager of Sustainable Development of Rhodia since October 2003

Deputy Director of Rhodia and consultant of the Chairman from November 2002 to October 2003

➤ **MR. OLIVIER LEGRAIN**

(born on September 30, 1952)

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

Termination of the position after the general shareholders' meeting called to approve the financial statements for 2008

LIST OF DIRECTORSHIPS AND OTHER POSITION 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 Corporate 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

Abroad:

Chairman of Materis Holding Luxembourg S.A.

Manager of Materis Luxembourg SARL

Member of the managing board of Materis Parent SARL (Luxembourg)

NUMBER OF RHODIA SHARES HELD:

2,031

PROFESSIONAL ACTIVITIES OVER THE PAST FIVE YEARS:

Chairman and Chief Executive Officer of Materis since January 2001



➤ MR. PIERRE LÉVI

(born on February 19, 1955)

Appointment by the general shareholders' meeting dated October 25, 1999

Ratification of the appointment by the general shareholders' meeting dated April 18, 2000

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

Termination of the mandate after the general meeting called to approve the financial statements for 2008

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

Current positions:

Abroad:

Director of Compagnie Deutsch (United States)

Positions during the last five years, no longer exercised:

In France:

Chairman and Chief Executive Officer of Faurecia S.A.

Chairman of Faurecia Automotive Holdings

Chairman of the Executive Board Faurecia Investissements

Abroad:

Director of Faurecia Exhaust Systems, Inc. and Faurecia Exhaust Systems, LLC (United States)

NUMBER OF RHODIA SHARES HELD:

4,279

He also holds 1,551 shares in the mutual funds "Actions Rhodia" and "Rhodia 2000" under the Employee Stock Ownership

Program corresponding to the same number of Rhodia shares

PROFESSIONAL ACTIVITIES OVER THE PAST FIVE YEARS:

Chairman and Chief Executive Officer of Faurecia from May 22, 2000 to August 2, 2006

➤ MR. FRANCIS MER

(born on May 25, 1939)

Appointment by the Board of Directors meeting dated May 13, 2004

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

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

Termination of the position after the general shareholders' meeting called to approve the financial statements for 2008

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

Current positions:

In France:

Chairman of the supervisory board of SAFRAN

Abroad:

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

Abroad:

Director of Inco (Canada)

NUMBER OF RHODIA SHARES HELD:

116

PROFESSIONAL ACTIVITIES OVER THE PAST FIVE YEARS:

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



➤ **MR. YVES RENÉ NANOT**

(born on March 27, 1937)

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

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

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

Termination of the position after the general shareholders' meeting called to approve the financial statements for 2007

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

Current positions:

In France:

Chairman and Chief Executive Officer of Ciments Français

Director of Provimi

Abroad:

Director of Italcementi (Italy), Centre Technique Groupe S.P.A. 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 Cereol, Cerestar and Imerys

NUMBER OF RHODIA SHARES HELD:

11,000

PROFESSIONAL ACTIVITIES OVER THE PAST 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)

➤ **MR. HUBERTUS SULKOWSKI**

(born on April 1, 1943)

Appointment by the Board of Directors meeting dated October 20, 1999

Ratification of the appointment by the general shareholders' meeting dated April 18, 2000

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

Termination of the position after the general shareholders' meeting called to approve the financial statements for 2007

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

During the last five years, no longer exercised:

Director of Rhodia ChiRex (from September 20, 2000 to February 20, 2003)

NUMBER OF RHODIA SHARES HELD:

3,732

PROFESSIONAL ACTIVITIES OVER THE PAST FIVE YEARS:

Partner in the law firm, Shearman & Sterling LLP (since 1987)



PRESENTATION OF THE CANDIDATE FOR THE BOARD OF DIRECTORS

➤ LAURENCE DANON

(born on January 6, 1956)

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

Current positions:

In France:

Member of the Executive Committee of Edmond de Rothschild Corporate Finance

Director of Plastic Omnium

Abroad:

Director of Diageo and Experian Plc (United Kingdom)

During the last five years, no longer exercised:

In France:

Chairman of the Executive Committee of Pinault-Printemps-Redoute (PPR)

Chief Executive Officer of France-Printemps

Chairman of the Board of Directors of ENSM de Nantes

NUMBER OF RHODIA SHARES HELD:

–

PROFESSIONAL ACTIVITIES OVER THE PAST FIVE YEARS:

Member of the Executive Committee of Edmond de Rothschild Corporate Finance (since 2007)

Chief Executive Officer of France-Printemps (2005 to 2007)

Member of the Executive Committee of Pinault-Printemps-Redoute (PPR) (2001 to 2007)

Chairman of the Executive Committee of Pinault-Printemps-Redoute (PPR) (2001 to 2005)

EXECUTIVE MANAGEMENT COMMITTEE

➤ JEAN-PIERRE CLAMADIEU

Chairman & Chief Executive Officer

➤ GILLES AUFFRET

Chief Operating Officer

➤ PASCAL BOUCHIAT

Group Executive Vice President, Finance (Chief Financial Officer)

➤ BERNARD CHAMBON

Group Executive Vice President, Communication and Sustainable Development

➤ MARC CHOLLET

Vice President, Strategy

➤ YOLÈNE COPPIN

Group Executive Vice President, Human Resources

➤ 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, 92200 Neuilly-sur-Seine

(appointed on April 29, 2003 with term of office ending after the general meeting called to approve the accounts for 2008).

➤ **SALUSTRO REYDEL, MEMBER OF KPMG INTERNATIONAL**

represented by Mr. DOMINIQUE STIEGLER

3 cours du Triangle, 92939 Paris La Défense Cedex

(appointed on May 22, 2002 with term of office ending after the general meeting called to approve the accounts for 2007).

ALTERNATE AUDITORS

➤ **MR. FRANÇOIS CHEVREUX,**

3 cours du Triangle, 92939 Paris La Défense Cedex

(appointed on 22 May 2002 with term of office ending after the general meeting called to approve the accounts for 2007).

➤ **MR. YVES NICOLAS,**

63, rue de Villiers, 92200 Neuilly-sur-Seine

(appointed on 29 April 2003 with term of office ending after the general meeting called to approve the accounts for 2008).

As the mandates of Salustro Reydel, member of KPMG International, as Statutory Auditor and of Mr. François Chevreux as Alternate Statutory Auditor end at the close of this shareholders' Meeting, the proposed resolutions No. 10 and 11 provide:

- the appointment of KPMG S.A. as Statutory Auditor, noting that Salustro Reydel has been a member of KPMG International since 2005, and that it thus involves a renewal within the KPMG network; and
- the appointment of Mr. JEAN-PAUL VELLUTINI as Alternate Statutory Auditor.



Rhodia Group during 2007

➤ 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 (net sales, production costs, etc.).

The Group's consolidated financial statements for the year ended December 31, 2007 were prepared in accordance with IFRS

(International Financial Reporting Standards), as adopted by the European Union and applicable as from December 31, 2007.

The consolidated financial statements also comply with the IFRS adopted by the IASB (International Accounting Standards Board) and applicable as from December 31, 2007.

SUBSTANTIAL PROFITABILITY GROWTH

- Net Profit doubling to €129 million, versus €62 million in 2006
- Operating Profit up 25% to €448 million, versus €359 million in 2006
- Recurring EBITDA⁽¹⁾ up 17% to €799 million, versus €683 million in 2006
- Reliability of carbon credit business successfully established

SOLID FREE CASH FLOW AND VALUE CREATION

- €161 million Free Cash Flow⁽²⁾ generation
- Value creation with Cash Flow Return On Investment (CFROI) at 8.2%, above cost of capital

STRONG INCREASE IN 2007 RESULTS FIRST DIVIDEND PROPOSED IN 5 YEARS

SOLID AND FLEXIBLE FINANCIAL STRUCTURE WITH LEVERAGE TARGET ACHIEVED ONE YEAR AHEAD OF PLAN

- Net Debt on Recurring EBITDA ratio of 1.9 times, versus 2.8 in 2006
- Long-term debt maturity profile (2013-2014)

FINANCIAL PERFORMANCE SET TO PROGRESS IN 2008, DESPITE AN UNFAVORABLE RAW MATERIAL AND ENERGY COST ENVIRONMENT

- Sound demand driving volume growth
- Pricing key to defend operating profit

DIVIDEND PAYMENT OF €0.25 PER SHARE PROPOSED TO ANNUAL GENERAL MEETING

(1) Before restructuring and other operating income and expenses.

(2) Defined as "net cash provided by operating activities" plus "non recurring refinancing cash costs" minus Capital Expenditure".



RHODIA GROUP CONSOLIDATED INCOME STATEMENT

<i>(in millions of euros)</i>	IFRS				French GAAP
	12/31/07	12/31/06	12/31/05	12/31/04	12/31/03
Net sales	5,081	4,810	4,521	4,184	5,453 ⁽¹⁾
Operating profit/(loss)	448	359	66	(135)	(159)
Profit/(loss) before tax	156	54	(366)	(392)	(507)
Profit/(loss) before minority interests	131	66	(615)	(632)	(1,346)
Net profit/(loss) (Group share)	129	62	(616)	(641)	(1,351)
Net profit/(loss) per share <i>(in euros)</i>	1.29 ⁽²⁾	0.62 ⁽²⁾	(0.95)	(1.36)	(7.53)

(1) Total net sales (including other revenue).

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

SUBSTANTIAL PROFITABILITY GROWTH

Net sales rose by 5.6% (8.8% like for like) to €5,081 million from €4,810 million in 2006, driven by significant volume increases of 7.1%. Price increases (+3.9%) exceeded the rise in raw material and energy costs. The foreign exchange had a negative 4.8% impact.

Recurring EBITDA grew significantly by 17% (23% like for like) to €799 million, benefiting from the good volume trends, but was held back by the negative impact of foreign exchange (€82 million). Sustained pricing in local currency more than offset the €125 million impact of increases in raw material and energy costs. The first full year of CER sales generated €135 million of recurring EBITDA. The recurring EBITDA margin increased in 2007 to 15.7% from 14.2% in 2006.

In Q4 2007, Net Sales grew to €1,267 million from €1,217 million in Q4 2006, an increase of 4.1% (6% like for like). Market demand continued to drive solid volume growth of 7.5%. Price increases in local currency of 2% offset the €24 million rise in raw material and energy costs. Recurring EBITDA stood at €199 million, a like for like increase of 8% compared to the same period in 2006.

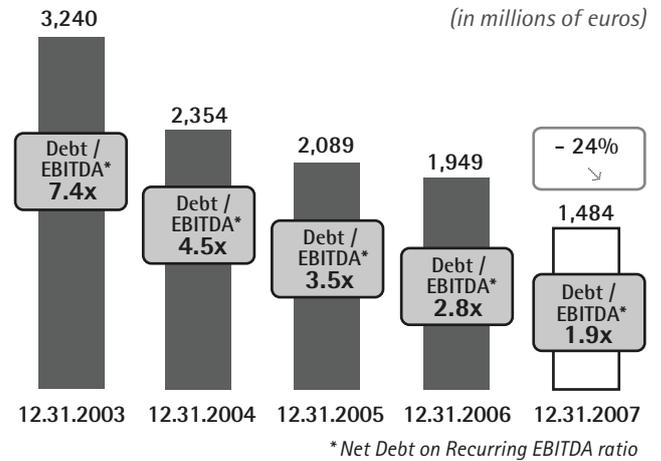
Full Year Operating Profit rose by 25% to €448 million, versus €359 million in 2006, on the back of the increased recurring EBITDA.

Loss from financial items improved to €(294) million, compared to €(305) million in 2006. Benefiting from the refinancing initiatives in the first half of 2007, the Net Financial Charges were down 22% to €144 million from the €184 million in 2006. The one-off refinancing costs totaled €96 million.

Net Profit Group Share for 2007 was up sharply to €129 million, versus €62 million in 2006.

Earnings per Share rose to €1.29 versus €0.62 a year earlier. A dividend payment of €0.25 per share is proposed to the annual general meeting on May 16, 2008.

SOLID FREE CASH FLOW AND FINANCIAL LEVERAGE TARGETS ACHIEVED ONE YEAR AHEAD OF PLAN



The Group's efforts for efficient cash management continued to deliver benefits in 2007 with Operating Cash Flow⁽³⁾ at €523 million and the ratio of Working Capital Requirement on Total Sales at 10.4% compared with 12.3% the year before. Capital Expenditure amounted to €324 million for the year, versus €311 million in 2006.

Free Cash Flow amounted to €161 million, exceeding the 2007 target, versus a negative €(139) million in 2006. It included a non-recurring positive item of €20 million.

Consolidated Net Debt totaled €1,484 million in December 2007, a 24% decrease compared to €1,949 million in December 2006. The Net Debt on Recurring EBITDA ratio was 1.9, one year ahead of plan. The timely initiatives realized in the first half of 2007 to refinance the Group's long term debt was material in strengthening the financial profile of Rhodia. The Group's debt has a long-term maturity profile (2013-2014).

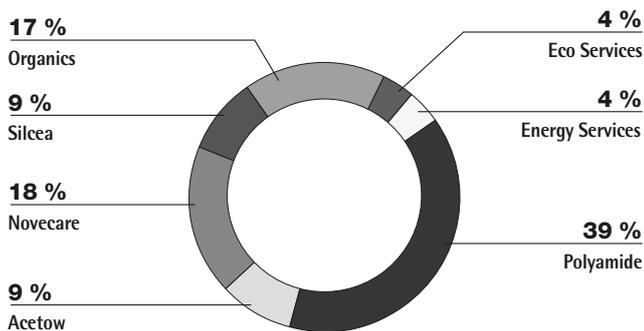
(3) Before Working Capital, restructuring, and "non recurring refinancing cash costs".



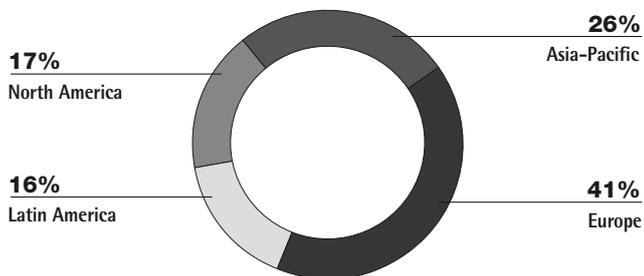
RHODIA MOVING FORWARD

Rhodia's clearly defined strategy is to focus on profitable growth on four growth platforms: Polyamide, Novecare, Silcea and Energy Services. These businesses benefit from leadership positions in dynamic markets in fast growing regions such as Latin America and Asia, and offer innovative solutions, notably with regard to new sustainable development priorities. Acetow and Eco Services have both contributed significantly to the Group's performance. Organics, which has a strong foothold in the diphenols market, continues to restructure the other businesses in its portfolio.

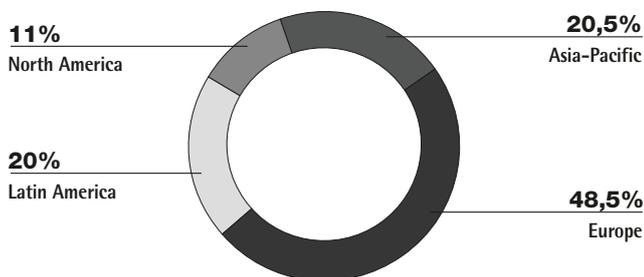
NET SALES⁽¹⁾ BY COMPANY



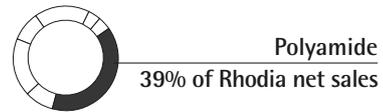
NET SALES BY GEOGRAPHICAL AREA



BREAKDOWN OF EMPLOYEES BY GEOGRAPHICAL AREA



Polyamide



➤ **Recurring EBITDA up €280 million**
Recurring EBITDA margin of 14.2%

The world's number 2 in the production of polyamide 6.6, which represents 90% of its business, Polyamide also manufactures polyamide 6 corresponding to 10% of its sales. The full integration of the polyamide chain represents a major competitive advantage, enabling Polyamide to develop its intermediates and polymers activities upstream, as well as its engineering plastics activities downstream.

Engineering plastics and the development of its activities in Asia and Latin America are Polyamide's two primary growth engines. Engineering plastics are highly technical products used most often to replace metal parts in the automobile, electronic or electrical components, industrial and consumer goods, and sport or leisure sectors. Based on its capacity for innovation and worldwide competitive offer, Polyamide reported in 2007, and for the fourth year running, annual average growth of more than 10%. The Company has also furthered its development in a fast-growing Asian market with the launch at the end of 2007 of a new polymerization plant in South Korea. Furthermore, in response to the growing demand of the Brazilian intermediates market, substantial capital expenditure was incurred in order to boost its phenol and cyclohexanol production capacities.

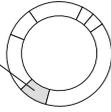
Due to rising demand and based on its strong foothold in various worldwide markets, Polyamide has been able to maintain its price-raising strategy, which has more than offset the increase in raw material and energy costs.

(1) Net sales excluding sales recorded by other businesses, sales on behalf of non-group companies and intercompany sales.



Acetow

Acetow
9% of Rhodia net sales



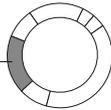
➤ Recurring EBITDA down €83 million
Recurring EBITDA margin of 18.8%

The world's third leading manufacturer of cellulose acetate for cigarette filters, Acetow serves around 18% of the global market, particularly Europe, the Commonwealth of Independent States and Latin America. Thanks to its ability to innovate, Acetow has been able to develop new manufacturing processes tailored to its clients' requirements and has, in particular, designed a new filter manufacturing process for super slim cigarettes.

Acetow's US dollar-denominated markets have felt the impact of the currency's devaluation against the euro. To offset these adverse exchange rate fluctuations, Acetow initiated a plan at the end of 2007 in order to boost its competitiveness.

Novecare

Novecare
18% of Rhodia net sales



➤ Recurring EBITDA up €109 million
Recurring EBITDA margin of 11.7%

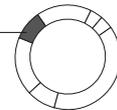
Novecare provides high performance chemicals to a wide range of industries, from the cosmetics and detergents sectors to the oil, agrochemical and industrial chemical markets. The Company operates in niche markets where it holds leadership positions and recognized technological expertise. Thanks to its strong capacity for innovation, the Company implements short-term innovation programs for the design of rapidly marketable customized formulations. At the same time, it conducts disruptive innovation programs for the design of groundbreaking products and processes intended for specific high-growth markets. These medium-term programs also secure a competitive edge and long-term growth.

In 2007, Novecare launched 80 new products and more than 20% of its sales derived from products less than 5 years old. These new ranges were developed mainly in response to the high demand created by new environmental challenges. As part of its geographical growth strategy, Novecare has started to build a new surfactants production plant in India. Furthermore, it has increased its production capacities and built new environmentally-friendly solvent production plants in France, South Korea, Brazil and China.

In 2007, demand remained constant in most of Novecare's markets. Novecare offset mounting raw material and energy costs by pursuing its price increase and product mix strategy.

Silcea

Silcea
9% of Rhodia net sales



➤ Recurring EBITDA up €84 million
Recurring EBITDA margin of 18.1%

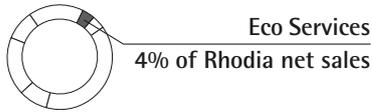
Silcea brings together Rhodia's expertise in mineral chemicals: high performance silicas, invented by the Company, primarily used in the pneumatics market and rare earth-based compositions used in automobile catalysis and electronics. Silcea is the world number 1 in each of these sectors.

Silcea aims to bolster its worldwide coverage and set itself apart from its competitors by offering a comprehensive and innovative product range that can respond to increasingly stringent environmental regulatory constraints. In this perspective, Silcea purchased the Washcoat alumina business of WR Grace in 2007, thus completing its range of materials for the automobile catalysis sector. In addition, at the end of 2007, Silcea began building a new high performance silica plant in China in order to sustain the growth of its clients in the Asian market, particularly in the fast-growing low energy consumption tire sector.

Silcea has continued to grow significantly in 2007, driven by a favorable worldwide demand for environmentally-friendly high-tech products. Furthermore, throughout the year, Silcea once again demonstrated its ability to offset rising raw material and energy costs by controlling its product mix and sales prices.



Eco Services



➤ Recurring EBITDA unchanged at €70 million
Recurring EBITDA margin of 32.1%

Eco Services manufactures and regenerates sulfuric acid. As the world's leader in sulfuric acid regeneration based in the United States, Eco Services enters into long-standing agreements with most US and Canadian oil refiners. Its product reliability, production flexibility and logistics network are vital to ensuring the success of the operations conducted by its clients, who represent the North American energy infrastructures.

In 2007, Eco Services benefited from a high demand for regeneration services and a growing need for sulfuric acid. At the year-end, sale prices were revised upwards in order to offset the rising price of sulfur, the raw material used in sulfuric acid production. These price increases will have a full impact in the 1st quarter of 2008.

Organics



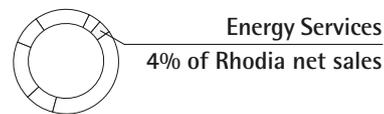
➤ Recurring EBITDA up €82 million
Recurring EBITDA margin of 9.7%

Organics brings together Rhodia's expertise in organic chemicals: diphenols, salicylates and related products, fluorination and isocyanates. These technologies are used in a number of industries including flavorings and perfumes, pharmaceuticals, intermediates and performance products for the agrochemical business as well as industrial paints and resins.

As world leader in the diphenols sector, in particular for vanillin, Organics boosted its production capacity in order to sustain its significant growth in the Asian market and inaugurated its third global manufacturing platform in China in November 2007. In an environment shaped by high demand and market uncertainty, Organics has pursued its policy of raising vanillin sale prices in order to offset the increase in raw material and energy costs as well as a negative exchange rate impact resulting from the depreciation of the US dollar against the euro.

Its business portfolio repositioning strategy, which resulted in site closures, disposals and restructurings in its other activities in 2007, also contributed to the improvement in the Company's performance.

Energy Services



➤ Recurring EBITDA up €181 million

Energy Services is responsible for energy supply purchasing and management as well as management of greenhouse gas emissions.

In the energy sector, Energy Services managed energy supply purchases worldwide on behalf of the Group and third parties in 2007. Furthermore, with respect to greenhouse gas emission reductions, the installations set up by the Group on the Onsan (South Korea) and Paulinia (Brazil) sites under the Kyoto Protocol Clean Development Mechanism proved to be very reliable and efficient in 2007 and the emission reduction targets were easily met. This therefore demonstrates the stability and reliability of the CO₂ emission credits activity, which contributed €135 million to the Company's EBITDA.



2008 OUTLOOK AND MEDIUM-TERM OBJECTIVES

In early 2008, demand remained steady in the Group's markets. Rhodia anticipates a new increase in volumes in 2008, particularly in the very buoyant Asian and Latin American markets. Out of the 13 million tons of CO₂ emission credits (CER) expected in 2008, 9 million have already been sold forward at a price of €15/t.

Rhodia will uphold its price-raising strategy in order to offset a negative exchange rate impact and the surge in raw material and energy costs.

Despite this difficult environment, Rhodia is confident in its ability to enhance its performance in 2008 and hopes to improve its recurring EBITDA and net profit per share.

In the medium term, Rhodia hopes to achieve organic growth above market average, greater free cash flow, and a CFROI that exceeds the cost of capital in all its businesses, thus allowing for a dividend increase.

Additional information concerning our Enterprises is available in the 2007 Reference Document (please see the request for documents on page 39 of the present Notice of Meeting or consult the electronic version on our site www.rhodia.com).



CONSOLIDATED BALANCE SHEET

ASSETS

<i>(in millions of euros)</i>	At December 31, 2007	At December 31, 2006
Property, plant and equipment	1,686	1,760
Goodwill	207	225
Other intangible assets	183	178
Investments in associates	13	4
Other non-current financial assets	113	121
Deferred tax assets	161	183
Non-current assets	2,363	2,471
Inventories	583	620
Income tax receivable	12	23
Trade and other receivables	965	1,082
Derivative financial instruments	96	34
Other current financial assets	19	19
Cash and cash equivalents	415	467
Assets classified as held for sale	25	437
Current assets	2,115	2,682
TOTAL ASSETS	4,478	5,153

EQUITY DEFICIT AND LIABILITIES

<i>(in millions of euros)</i>	At December 31, 2007	At December 31, 2006
Share capital	1,204	1,204
Additional paid-in capital	147	23
Other reserves	123	109
Deficit	(1,863)	(1,989)
Equity deficit attributable to equity holders of Rhodia S.A.	(389)	(653)
Minority interests	21	25
Total equity deficit	(368)	(628)
Borrowings	1,675	2,022
Retirement benefits and similar obligations	1,154	1,227
Provisions	318	306
Deferred tax liabilities	43	32
Other non-current liabilities	29	43
Non-current liabilities	3,219	3,630
Borrowings	243	413
Derivative financial instruments	68	34
Retirement benefits and similar obligations	92	98
Provisions	138	147
Income tax payable	8	41
Trade and other payables	1,071	1,178
Liabilities associated with assets classified as held for sale	7	240
Current liabilities	1,627	2,151
TOTAL EQUITY DEFICIT AND LIABILITIES	4,478	5,153



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

THE FINANCIAL STATEMENTS OF RHODIA SA 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.

During the past fiscal year, the Company has pursued the rescheduling of its external debt so as to extend maturity dates and reduce its cost. The exceptional interest expenses thereby incurred have been rebilled to the subsidiaries.

BALANCE SHEET

ASSETS	At December 31, 2007			At December 31, 2006
	Gross amount	Depreciation and amortization	Net amount	Net amount
<i>(in millions of euros)</i>				
Intangible assets, and property, plant and equipment	9	8	1	1
Non-consolidated investments	3,812	1,692	2,120	2,116
Loans to non-consolidated investments	3,273	2	3,271	3,805
Other long-term investments	9	–	9	43
Non-current assets	7,103	1,702	5,401	5,965
Receivables	189	3	186	107
Cash advances to subsidiaries	393		393	543
Marketable securities	210		210	175
Cash and short-term investments	1		1	35
Current assets	793	3	790	860
Deferred charges	9		9	38
Unrealized foreign exchange losses	109		109	56
TOTAL ASSETS	8,014	1,705	6,309	6,919

LIABILITIES AND SHAREHOLDERS' EQUITY	At December 31, 2007		At December 31, 2006
	Before appropriation		Before appropriation
<i>(in millions of euros)</i>			
Share capital		1,204	1,204
Additional paid-in capital		23	23
Legal reserve		37	32
Other reserves		105	11
Retained earnings/(deficit)		–	(120)
Net profit for the year		45	219
Shareholders' equity		1,414	1,369
Provisions		354	176
Bank borrowings		1,737	2,013
Other borrowings		2,096	2,587
Borrowings		3,833	4,600
Tax and employee-related liabilities		3	3
Other liabilities		694	705
Liabilities		4,530	5,308
Deferred income		–	3
Unrealized foreign exchange gains		11	63
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		6,309	6,919



INCOME STATEMENT

<i>(in millions of euros)</i>	2007	2006
Dividends received from non-consolidated investments	46	20
Interest income	315	287
Interest expense	(232)	(250)
Sub-total	129	57
Net charges to provisions for impairment of securities	5	(75)
Net charges to provisions for subsidiary-related risks	(75)	(113)
Gains/(losses) on loans to non-consolidated investments	-	26
Other financial income/(expenses)	(60)	319
Net financial items	(1)	214
Operating profit/(loss)	(18)	(27)
Net profit from ordinary activities	(19)	187
Net exceptional items	(7)	7
Net profit from ordinary activities before tax	(26)	194
Corporate income tax	71	25
Net profit for the year	45	219


**RESULTS (AND OTHER SIGNIFICANT DATA) OF THE COMPANY OVER THE PAST FIVE YEARS
(ARTICLES R. 225-83 AND R. 225-102 OF THE COMMERCIAL CODE)**

PERIOD END DATE	31/12/2007	31/12/2006	31/12/2005	31/12/2004	31/12/2003
	12 months	12 months	12 months	12 months	12 months
Capital at year-end					
Share capital (in thousands of euros)	1,204,414	1,204,186	1,176,717	627,582	179,309
Number of shares					
ordinary ⁽¹⁾	100,367,831	1,204,186,174	1,176,716,541	627,582,158	179,309,188
priority dividend					
Maximum number of shares					
by conversion of bonds					
by subscription right					
Results of operations (in thousands of euros)					
Net sales excluding tax	1,197	595	12,702	7,807	9,481
Profit before tax, investments, depreciation, amortization and provisions	140,102	326,577	(400,485)	(332,444)	(890,489)
Income tax (including net gain under the tax consolidation group regime)	71,149	24,356	13,476	24,004	15,806
Participation of employees					
Depreciation, amortization and provisions	(165,803)	(132,426)	(288,899)	44,560	(1,233,818)
Net profit for the year	45,447	218,507	(675,908)	(263,880)	(2,108,501)
Distributed profit	25,092	0	0	0	0
Earnings per share (in euros)					
Earnings per share after tax and investments and before depreciation, amortization and provisions	2.10	0.29	(0.33)	(0.49)	(4.88)
Earnings per share after tax, investments, depreciation, amortization and provisions	0.45	0.18	(0.57)	(0.42)	(11.76)
Dividends ⁽³⁾	0.25				0
Employees					
Average number of employees	7	8	24	25	27
Payroll (in thousands of euros) ⁽²⁾	3,413	4,921	12,204	20,467	5,763
Employee benefits (social security) (in thousands of euros) ⁽²⁾	1,633	1,166	3,423	5,067	2,045
(1) Recapitulation of successive issuances of ordinary shares forming the capital		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 thousands of euros)	228	27,470			
(2) Including severance payments and post-employment benefits					
(3) Upon proposal of the general shareholders' meeting of May 16, 2008					



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 as instructed for or against the adoption of the proposed resolutions presented or approved by the Board of Directors; 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.



How to fill out the form?

You merely need to fill out the form for voting by post or by proxy (mentioning the number of shares held in your account) which enables you to choose between 4 types of participations.

In any case, the shareholder must **sign and date the form**, which option is used.

In case the shares are jointly held, the form must be signed by all the tenants in common. Please return the completed form as soon as possible in the **enclosed envelope**. The form indicates at which date it must be returned at the latest.

You wish to attend the meeting: darken the box A.

If you do not wish to attend the meeting: darken the box B (and choose one among the three options).

1 To vote by mail: darken the box and follow the instructions (don't forget also to dark the box corresponding to one among the 3 choices in bottom of the form).

2 You give your proxy to the Chairman: simply date and sign the bottom of the form.

3 You give your proxy to your spouse or to another shareholder: darken the box and indicate the full name and address of your representative.

In all cases, date and sign this form.

Please enter your full name and address or check that the information below is correct.



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 financial statements for the financial year 2007 **(First resolution)**
- Management report of the Board of Directors/General report of the Statutory Auditors/Approval of the consolidated financial statements for the financial year 2007 **(Second resolution)**
- Appropriation of profit for 2007 – Determination of the Dividend **(Third resolution)**
- Approval of the new regulated agreements covered in the special report of the Statutory Auditors prepared pursuant to Article L. 225-40 of the Commercial Code **(Fourth and Fifth resolutions)**
- Appointment of Mrs. Laurence Danon as member of the Board of Directors **(Sixth resolution)**
- Renewal of the term of office of Mr. Yves René Nanot as Director of the Board **(Seventh resolution)**
- Renewal of the term of office of Mr. Jérôme Contamine as Director of the Board **(Eighth resolution)**
- Renewal of the term of office of Mr. Michel de Fabiani as Director of the Board **(Ninth resolution)**
- Appointment of a Statutory Auditor **(Tenth resolution)**
- Appointment of an alternate Statutory Auditor **(Eleventh resolution)**
- Authorization granted to the Board of Directors to trade in the Company's shares **(Twelfth resolution)**

➤ EXTRAORDINARY part

- Management report of the Board of Directors/Special reports of the Statutory Auditors
- Delegation to be given to the Board of Directors to reduce stated capital by cancelling treasury shares **(Thirteenth resolution)**
- Director representing employee shareholders/Amendment of the articles of incorporation and by-laws **(Fourteenth resolution)**
- Director representing the employees/Amendment of the articles of incorporation and by-laws **(Fifteenth resolution)**
(Not approved by the Board of Directors)
- Authority **(Sixteenth 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 2007 (**First and Second resolutions**)
- Appropriation of profit for 2007 – Determination of the Dividend (**Third resolution**)
- Approval of the new regulated agreements covered in the special report of the Statutory Auditors prepared pursuant to Article L. 225-40 of the Commercial Code (**Fourth and Fifth resolutions**)
- Appointment and renewal of Directors (**Sixth to Ninth resolutions**)
- Appointment of a Statutory Auditor and of an alternate Statutory Auditor (**Tenth and Eleventh resolutions**)
- Authorization granted to the Board of Directors to trade in the Company's shares (**Twelfth resolution**)

Extraordinary portion of the shareholders' meeting:

- Management report of the Board of Directors/Special reports of the Statutory Auditors
- Delegation to be given to the Board of Directors to reduce stated capital by cancelling treasury shares (**Thirteenth resolution**)
- Director representing employee shareholders/Amendment of the articles of incorporation and by-laws (**Fourteenth resolution**)
- Director representing the employees/Amendment of the articles of incorporation and by-laws (**Fifteenth resolution**) (**Not approved by the Board of Directors**)
- Authority (**Sixteenth resolution**)

➤ ORDINARY resolutions (Resolutions No. 1 to 12)

(PROPOSED RESOLUTIONS APPROVED BY THE BOARD OF DIRECTORS)

APPROVAL OF THE FINANCIAL STATEMENTS FOR FISCAL YEAR 2007 AND APPROPRIATION OF PROFIT RESOLUTIONS 1 TO 3

The purpose of the first resolution is to approve the financial statements for fiscal year 2007, reflecting a net profit of €45,446,921.30.

The purpose of the second resolution is to approve the consolidated financial statements for fiscal year 2007, reflecting a consolidated profit attributable to the Rhodia shareholders of €129 million.

The purpose of the third resolution is to approve the appropriation of profit proposed by the Board of Directors. This proposal provides

for payment of a dividend for fiscal year 2007 that is set at €0.25 per share with a par value of €12 (being understood that the ungrouped shares with a par value of €1 still existing at the date of payment of the dividend will also give the right to payment of a dividend which amount will be adjusted according to the ratio of the reverse-split of 1/12). This is the first proposal to pay a dividend since 2003. The dividend would become payable on Friday, May 23, 2008. In addition, this dividend would trigger the deduction provided for in Article 158-3 of the French General Tax Code, with the exception for the flat-rate withholding tax option provided for in Article 117 quater of the French General Tax Code.



APPROVAL OF NEW REGULATED AGREEMENTS – SPECIAL REPORT OF THE AUDITORS

RESOLUTIONS 4 AND 5

The Board of Directors requests you to approve two new regulated agreements governed by Articles L. 225-38 *et seq.* of the French Commercial Code which are listed in the special report of the Auditors prepared pursuant to Article L. 225-40 of the same Code:

Amendment to the Separation Agreement concluded by the Company and Jean-Pierre Clamadiou:

This agreement constitutes an Amendment to the Separation Agreement concluded by the Company and Mr. Jean-Pierre Clamadiou. For reference, the Separation Agreement (concluded in March 2007, and which also constitutes a regulated agreement) has already been presented to and approved by the shareholders at the shareholders' meeting held on May 3, 2007; a description thereof, in particular, the indemnity that may have to be paid to Mr. Clamadiou in the event of his dismissal from his position as an officer of the Company (*mandat social*), were included, *inter alia*, in the Auditors' special report, as well as in the annual report presented at said Meeting.

The purpose of the Amendment is to update the Separation Agreement to comply with the provisions of the Act of August 21, 2007 "*en faveur du travail, de l'emploi et du pouvoir d'achat*".

Accordingly, it adds the following items:

➤ **performance-related condition:** the Amendment subjects receipt of the indemnity provided for in the Separation Agreement to compliance with a condition related to the beneficiary's performance as assessed with respect to the Company's performance. Accordingly, Mr. Clamadiou may only receive the indemnity if Rhodia's net income for 2008, as shown in the consolidated financial statements published in 2009, is higher than the average annual net income as set forth in the consolidated annual financial statements for 2006 and 2007 (that is, €99 million). Should the beneficiary's term of office end prior to the publication of the net income for 2008, reference may be made to the half-year net income at June 30, 2008, which is to be higher than the average of the half-year net income derived from the half-year consolidated accounts at June 30, 2006 and 2007 (that is, €54 million).

New conditions for performance will be proposed to the vote of the general shareholders' meeting scheduled to be held in the first half of 2009 insofar as the renewal of the term in office of Mr. Jean-Pierre Clamadiou as a Director of the Board (the term is coming to an end and is required for his position as the Chairman and Chief Executive Officer) is also proposed at the same meeting;

➤ **condition to payment of the indemnity:** the Amendment provides that, regardless of the cause, the indemnity may not be paid prior to (i) the Rhodia Board of Directors formally acknowledging compliance with the aforementioned performance-related Condition, and (ii) this decision being made public.

In addition, the Amendment states that the appointment covered by the Separation Agreement is his position as **Chairman responsible for the general management of the Company** to which Mr. Clamadiou was appointed at the Board of Directors meeting held on March 17, 2008.

The remaining provisions of the Separation Agreement are not modified by the Amendment.

Amendment of the employment contract of Mr. Jacques Khélif

Mr. Jacques Khélif is the Director for Sustainable Development of the Rhodia Group. You are requested to approve an amendment to his employment contract due to the fact that he is also a director of your Company. This amendment consists in increasing his fixed compensation.

Those regulated agreements are presented in the special reports of the Auditors which is included in the present document (page 35) and in the Reference Document (annual report).

In addition, the special report of the Auditors prepared pursuant to Article L. 225-40 of the French Commercial Code notes the agreements and undertakings approved during prior fiscal years or listed in prior special reports the performance of which continues during fiscal year 2007.

COMPOSITION OF THE BOARD OF DIRECTORS

RESOLUTIONS 6 TO 9

The Board of Directors is submitting all of the resolutions relating to its composition to you. The purpose of these resolutions is to:

- Renew the appointment as director of Messrs. Yves René Nanot, Jérôme Contamine and Michel de Fabiani; and
- Appoint Mrs. Laurence Danon as a Director.

The proposed renewals are designed to allow the Board to continue to benefit from the expertise and experience of Messrs. Nanot, Contamine and Fabiani; the latter two are independent directors.

The proposed new appointment of Mrs. Danon will allow the addition of a new independent director to the Board, consistent with its expected composition.

In accordance with the articles of incorporation and by-laws (*statuts*), these renewals and this appointment will be for a term of four years and shall terminate at the end of the shareholders' meeting held in 2012 to approve the financial statements for the financial year 2011.

In addition, Mr. Hubertus Sulkowski, whose term will expire at the end of the Meeting, has stated that he does not wish to ask his appointment to be renewed.

If the shareholders vote in favor of all of these resolutions, upon its end, the Board of Directors will then consist of 11 Directors.



Of these directors, eight will be independent, *i.e.*, Mrs. Laurence Danon, Messrs. Aldo Cardoso, Pascal Colombani, Jérôme Contamine, Michel de Fabiani, Olivier Legrain, Pierre Lévi and Francis Mer. Further, each of the three Committees (*Comités d'Étude*) of the Board would consist only of independent directors (for reference, the determination of independence is made by your Board of Directors based on the rules and criteria listed in the Afep-Medef report on the governance of listed companies).

Information on the candidates to the renewal or appointment as directors of your Board is listed below and in the section « Administration, management and control » of the present document.

Laurence Danon has joined Edmond de Rothschild Corporate Finance in 2007 as member of the Executive Committee (*Directoire*). She is a graduate of the *École Normale Supérieure* (Ulm), and of the Corps des Mines, with a teaching qualification in Physics and a postgraduate diploma in Organic Chemistry. Laurence Danon, 52 years of age, began her career in 1984 at the Ministry of Industry as Head of the Industrial Development and Research Division of the Picardy Region, and then, in 1987, joined the Department of the Hydrocarbons Division of the Ministry of Industry as Head of the Exploration-Production. In 1989 she joined the group Elf where she successfully fulfilled commercial responsibilities within the Polymer Division. In 1991 she became Director of the Industrial Specialties Division before being appointed Director of the Worldwide Division of Functional Polymer. In 1996 she became Chief Executive of Ato Findley Adhesives which became Bostik after having merged with Total as of 1999. Bostik is worldwide No. 2 of adhesives. From 2001 to February 2007, Laurence Danon was Chairman and CEO of Printemps. Laurence Danon chairs the "New Generations" Commission (*Nouvelles Générations*) of the Medef. She is also member of the Board of Directors of Diageo Plc and Experian Plc, as well as of Plastic Omnium S.A. and Lafuma.

Yves René Nanot has been a Rhodia director since October 25, 2002. He was Vice-Chairman of the Company from October 3, 2003 to March 30, 2004, then Chairman of the Board of Directors from March 31, 2004 to March 17, 2008. He is also Chairman of the Board of Directors and Chief Executive of the Ciments Français, a director of Provimi, Italcementi (Italy), Centre Technique Group S.P.A. and of the foreign subsidiaries of Ciments Français in the United States, Morocco, India, Thailand, Turkey and Egypt. He was Chairman of the Board of Directors and Chief Executive of Total France, then Chairman of Total Refining and Marketing and a member of the Executive Committee of the Total Group. Mr. Nanot joined the Total Group in 1983 and was Chairman of Hutchinson S.A. from 1983 to 1989. Mr. Nanot began his career with Du Pont de Nemours in the United States and held various positions in that company in France and Europe between 1962 and 1983. Mr. Nanot is a graduate of the *École Nationale Supérieure des Arts et Métiers* of Paris and has an MBA and PhD from the University of California at Los Angeles (UCLA). Mr. Nanot was born on March 27, 1937.

Jérôme Contamine has been a Rhodia director since March 2004 and is currently a member of the Audit Committee. He has been the Executive General Manager of Veolia Environnement since 2003, responsible for cross-functional activities. Mr. Contamine is currently Chairman of Venao (USA), Director and Chief Executive of Veolia UK and a director of Veolia Environmental Services UK Plc and Veolia ES Holdings (Great Britain). In France, Mr. Contamine

is also director of Veolia Shipping, Veolia Propreté, VE Services-RE, Veetra, Veolia PPP Finance and Valeo. Mr. Contamine is also a member of the Supervisory Board (*conseils de surveillance*) A&B de Dalkia, Dalkia France and Veolia Water. Finally, he is Chairman of VE IT. In 2000, he was appointed Director for the Europe/Central Asia Region of the Exploration-Production Division of TotalFinaElf. The same year, he joined Vivendi Environnement as the Deputy Chief Executive for Finance (from 2000 to December 2001), prior to being appointed Deputy Chief Executive and a member of the Executive Committee (January 2002 to April 2003) and, finally, Chief Executive. He became Chairman of Elf Norway in 1995, after having been appointed Deputy Vice Chairman of the Exploration-Production Division of Elf for Europe and the United States. Mr. Contamine joined the Elf Aquitaine Group in 1988 where he held several positions in the Finance Department. He began his career as an auditor with the *Cour des Comptes* (French Audit Commission) where he worked from 1984 to 1988. Mr. Contamine was born on November 23, 1957 and is a graduate of the *École Polytechnique* (1979) and the *École Nationale d'Administration* (1984).

Michel de Fabiani was appointed a director of Rhodia in April 2003 and is currently Chairman of the Compensation, Selection and Governance Committee and a member of the Audit Committee of the Group. He is also Vice-Chairman of the Franco-British Chamber of Commerce and Industry and Chairman of Hertford British Hospital Corporation, a director of BP France, and a member of the Vallourec Supervisory Board. Outside of France, he is a director of Star Oil Mali, SEMS Morocco and EB Trans Luxembourg. He was Chairman of the Board of Directors and Chief Executive of BP France from 1995 to 2004, Regional Chairman Europe of BP Group from 1999 to 2004, and, in the past, has been Chairman of the Board of Directors and Chief Executive of BP Oil Europe. He was born on June 17, 1945 and is a graduate of the *École des Hautes Études Commerciales* (1967).

APPOINTMENT OF A STATUTORY AUDITOR AND OF AN ALTERNATE STATUTORY AUDITOR RESOLUTIONS 10 AND 11

As the appointments of Salustro Reydel, a member of KPMG International, as Statutory Auditor and of Mr. François Chevreux as Alternate Statutory Auditor expire with the adjournment of this shareholders' Meeting, the shareholders are requested to:

- in the **10th resolution**, appoint KPMG S.A. as Statutory Auditor, as Salustro Reydel is member of KPMG International since 2005. Actually, this is the renewal of the term of the Auditors belonging to KPMG. Legally, it consists in the appointment of KPMG S.A. to replace Salustro Reydel (belonging to KPMG International). On that occasion the associated signatory of KPMG will be replaced by Mr. Denis MARANGE, and
- in its **11th resolution**, appoint Mr. Jean-Paul VELLUTINI as Alternate Statutory Auditor.

These appointments shall have a term of six years and shall, therefore, expire at the end of the shareholders' meeting that will be called to approve the financial statements for the financial year 2013.

These proposals are based on a prior selection process, monitored by the Audit Committee of the Board, during which the major accounting firms were considered.



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

RESOLUTION 12

As the authorization given at the shareholders' meeting held on May 3, 2007 expires on November 3, 2008, the purpose of this resolution is to grant the Board of Directors the authorization to trade in the Company's shares, up to a maximum purchase price that would be set to €45 and up to the number of shares representing a maximum 10% of the total number of shares making up the stated capital of the Company. Accordingly, the maximum amount of the funds allocated to the implementation of this share repurchase program would be €451,655,235.

The goals that may be pursued by the Company using these share buyback program are described in the proposed resolution, and notably the authorization to purchase shares for their further cancellation (for which approval of the resolution 13 will be also requested). Share buyback will not be authorized during public offerings on the Company's share capital.

Pursuant to the authorization granted at the shareholders' meeting held on May 3, 2007, no acquisition or sale of treasury stock occurred during year 2007. Accordingly, as of December 31, 2007, the Company held no treasury stock.

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

➤ EXTRAORDINARY resolutions (Resolutions No. 13 to 16)

(PROPOSED RESOLUTIONS APPROVED BY THE BOARD OF DIRECTORS, EXCEPT RESOLUTION 15)

DELEGATION TO BE GIVEN TO THE BOARD OF DIRECTORS TO REDUCE STATED CAPITAL BY CANCELING TREASURY STOCK

RESOLUTION 13

The 13th resolution is designed to allow the Board of Directors to reduce the stated capital of the Company by canceling treasury stock, up to the limit of 10% of the total number of shares making up the capital of the Company as of the cancellation date, for a period of 24 month.

This resolution supplements the 12th resolution that provides that the reduction of capital by canceling treasury stock held by the Company is one of the goals that may be pursued as part of the share buyback program.

The use of this delegation will reduce the number of outstanding shares of the Company and, as a result, increase net income per share.

This delegation would be given for a term of 24 months. It was covered in a special report of the Auditors.

AMENDMENTS TO THE ARTICLES AND BY-LAWS (STATUTS)

RESOLUTIONS 14 AND 15

Given that, as of December 31, 2006, employee shareholders represented more than 3% of the Company's stated capital, and in accordance with the provisions of the French Commercial Code, the shareholders are requested to amend Article 11, "Board of Directors", of the articles of incorporation and by-laws:

- The 14th resolution (approved by the Board of Directors) would insert a point 2 "Director representing employee shareholders" that defines the procedures to allow the shareholders to appoint a director representing employee shareholders nominated thereby for a term of four years. **This proposed resolution is approved by the Board of Directors.**

The proposed mechanism consists of four successive stages:

- Development of a list of candidates for the position;
 - Direct vote by shareholder employees for the four candidates who received the largest number of sponsorships from shareholder employees;
 - The two candidates who obtained the largest number of votes are selected by the Board of Directors to be approved by the shareholders;
 - The candidate who received the largest number of votes at the shareholders' meeting is appointed as the director.
- The 15th resolution (disapproved by the Board of Directors) would insert a point 3 "Director elected by salaried employees" that provides for the appointment, for a term of four years, of a director elected by the employees of the Company and its directly or indirectly held subsidiaries whose principal office is located in France.

This 15th resolution is subject to vote at a shareholders' meeting for legal reasons but **your Board of Directors disapproves it (and recommends to vote against this 15th resolution)**. Rhodia is a global group of which almost two-thirds of the employees work for subsidiaries whose principal office is located outside of France. However, as these employees are not covered by this mechanism under the law, your Board of Directors feels that such a director could not fully represent employees.

AUTHORITY

RESOLUTION 16

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



PRESENTATION AUTHORIZATIONS ASKED IN THE PRESENT GENERAL MEETING

Transactions	Maximum Nominal Amount of Issuance	The duration of the authorization (and expiration)
Purchase of the Company's shares – 12th resolution	10% of the capital Purchase price: ≤ €45	18 months (11/09)
Capital reduction of the stated capital by cancelling treasury stock – 13th resolution	10% of the capital	24 months (05/10)

REMINDER OR 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 meeting 05/03/07 – 7th resolution	10% of the capital Purchase price: ≤ €60	no	18 month (11/08)
Capital increase, all types of stock with shareholders' preferential subscription rights, General meeting 05/03/07 – 10th resolution	In capital = €600 million In loan = €800 million	no	26 months (07/09)
Capital increase reserved for participants in a Company savings plan General meeting 05/03/07 – 14th resolution	€50 million, nominal value*	no	26 months (07/09)
Capital increase reserved to a category of beneficiaries General meeting 05/03/07 – 15th resolution	€50 million, nominal value*	no	18 months (11/08)
Free allocation of shares to employees and managers (Article L. 225-197-1 and following of the Commercial Code) General meeting 05/03/07 – 16th resolution	2% of the capital (at the date of the allotment(s))	235,110 allotted shares (07/07)** 1,023,960 allotted shares (03/08)***	26 months (07/09)
Allotment of options for subscription to or purchase of shares (Article L. 225-177 and following of the Commercial Code) General meeting 05/03/07 – 17th resolution	1% of the capital (at the date of the allotment(s))	no	26 months (07/09)

* The two delegations with respect to capital increase for the benefit of employees are subject to the total limit of €50 million nominal value.
 ** 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.
 *** As part of the plans for free allocations of shares authorized by the Board of Directors at the session held on March 17, 2008.

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 FINANCIAL STATEMENTS

FIRST RESOLUTION

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 and the general report of the Statutory Auditors on the annual accounts for the financial year 2007, resolves to approve the said reports and annual accounts for the financial year 2007 in their entirety and in the form in which they are presented, the said reports and annual accounts reflecting a net profit of €45,446,921.30.

The shareholders' meeting also approves the transactions reflected in those accounts and/or mentioned in those 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 report of the Board of Directors and the report of the Statutory Auditors on consolidated financial statements for the financial year 2007, resolves to approve the said reports and consolidated financial statements for the financial year 2007 in their entirety and in the form in which they are presented, the said reports and consolidated financial statements reflecting a consolidated profit attributable to the Rhodia shareholders of €129 million.

The shareholders' meeting also approves the transactions reflected in those accounts and/or mentioned in those reports.

APPROPRIATION OF PROFIT – DETERMINATION OF THE DIVIDEND

THIRD RESOLUTION

The shareholders' meeting, in accordance with the quorum and majority requirements for ordinary shareholders' meetings, after having formally noted that the result of the financial year 2007 reflects a net profit of €45,446,921.30:

➤ approves the proposal of the Board of Directors regarding the allocation of available profit:

ORIGINE	(in euros)
Profit for the fiscal year	45,446,921.30
To be allocated as follows:	
Legal reserve (5% of the income for the fiscal year)	2,272,346.07
Dividend (*)	25,091,957.75
Outstanding balance to the "other reserves" account	18,082,617.48

(*) This amount will be adjusted according to the number of ungrouped shares still in circulation at the date of the payment of the dividend.

➤ consequently sets the dividend at €0.25 for each of the shares with a par value of €12 and giving right to such dividend.

For natural person beneficiaries who are tax residents in France, this dividend triggers the deduction provided for in Article 158-3 of the French General Tax Code, with the exception for the flat-rate withholding tax option provided for in Article 117 quater of the French General Tax Code. If, on the date the dividends become payable, the Company holds treasury stock, the dividend on such stock shall not be paid and will be allocated to retained earnings.

This dividend will be removed from the share on Euronext Paris on May 20, 2008 and shall become payable on May 23, 2008;

➤ in addition, officially acknowledges that, for the prior three fiscal years, no dividends were distributed:

FISCAL YEAR	Net Dividend Distributed
2004	€0
2005	€0
2006	€0



APPROVAL OF REGULATED AGREEMENTS – AMENDMENT TO THE SEPARATION AGREEMENT IN FAVOR OF JEAN-PIERRE CLAMADIEU

FOURTH RESOLUTION

The shareholders' meeting, in accordance with the quorum and majority requirements for ordinary shareholders' meetings, after having considered the report prepared by the Statutory Auditors pursuant to Article L. 225-40 of the Commercial Code on the agreements referred to in Articles L. 225-38 and following of the said Code and deliberating pursuant to Article L. 225-42-1 of the Commercial Code, resolves to approve such agreement appearing in the section 1.1 of the said report.

APPROVAL OF REGULATED AGREEMENTS – CHANGES TO MR. JACQUES KHÉLIFF'S EMPLOYMENT CONTRACT, MEMBER OF THE BOARD OF DIRECTORS AND SUSTAINABLE DEVELOPMENT DIRECTOR

FIFTH RESOLUTION

The shareholders' meeting, in accordance with the quorum and majority requirements for ordinary shareholders' meetings, after having considered the report prepared by the Statutory Auditors pursuant to Article L. 225-40 of the Commercial Code on the agreements referred to in Articles L. 225-38 and following of the said Code, resolves to approve such agreement appearing in the section 1.2 of the said report.

APPOINTMENT OF MRS. LAURENCE DANON AS DIRECTOR OF THE BOARD

SIXTH RESOLUTION

The shareholders' meeting, in accordance with the quorum and majority requirements for ordinary shareholders' meetings, on the recommendation of the Board of Directors, and in accordance with the conditions stipulated in Article 11 of the Articles of incorporation and by-laws, hereby appoints Mrs. Laurence Danon as Director of the Board for a four years term, which will expire at the end of the ordinary shareholders' meeting called to approve the financial statements for the financial year 2011.

RENEWAL OF THE TERM OF OFFICE OF MR. YVES RENÉ NANOT AS DIRECTOR OF THE BOARD

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. Yves René Nanot as Director of the Board expires at the day of today, hereby renews the term of office for four years, which will expire at the end of the ordinary shareholders' meeting called to approve the financial statements for the financial year 2011.

RENEWAL OF THE TERM OF OFFICE OF MR. JÉRÔME CONTAMINE AS DIRECTOR OF THE BOARD

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. Jérôme Contamine as Director of the Board expires at the day of today, hereby renews the term of office for four years, which will expire at the end of the ordinary shareholders' meeting called to approve the financial statements for the financial year 2011.

RENEWAL OF THE TERM OF OFFICE OF MR. MICHEL DE FABIANI AS DIRECTOR OF THE BOARD

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. Michel de Fabiani as Director of the Board expires at the day of today, hereby renews the term of office for four years, which will expire at the end of the ordinary shareholders' meeting called to approve the financial statements for the financial year 2011.

APPOINTMENT OF A STATUTORY AUDITOR

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 SALUSTRO REYDEL, member of KPMG INTERNATIONAL, Statutory Auditor, expires at the end of this meeting, hereby appoints as Statutory Auditor KPMG S.A. (Immeuble le Palatin, 3 cours du Triangle, 92939 Paris La Défense Cedex, 775 726 417 RCS Nanterre) for a term of office of six years, which will expire at the end of the ordinary shareholders' meeting called to approve the financial statements for the financial year 2013.

APPOINTMENT OF AN ALTERNATE STATUTORY AUDITOR

ELEVENTH 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. François CHEVREUX, alternate Statutory Auditor expires at the end of this Meeting, hereby appoints as alternate Statutory Auditor Mr. Jean-Paul VELLUTINI (1 cours Valmy, 92923 Paris La Défense Cedex) for a term of office of six years, which will expire at the end of the ordinary shareholders' meeting called to approve the financial statements for the financial year 2013.



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

TWELFTH 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 Article L. 225-209 et seq. of the French 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 made, i.e., on December 31, 2007, a maximum 10,036,783 shares. The maximum number of shares held after these purchases may not exceed 10% of stated capital,
- for a maximum purchase price of €45 per share.

Accordingly, the shareholders set the aggregate maximum amount of the share repurchase program authorized above at €451,655,235.

2. The shareholders delegate full authority to the Board of Directors to decide how to implement this authorization and to determine the procedures thereof, in particular, to adjust the maximum purchase price indicated above in the event of a capital increase through the incorporation of reserves, no-cost attribution of shares to shareholders, share split or reverse split, or any other transaction affecting the Company's equity, to take into consideration the impact of said transactions on share value.

3. The shareholders decide that these purchases may be completed for the following purposes in accordance with the laws and regulations listed above and market practices allowed by the French "*Autorité des marchés financiers*":

- to grant or transfer shares under a stock 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 French Commercial Code,
- to allow the delivery of shares following the exercise of rights attached to securities conferring rights to shares, by repayment, conversion, exchange, presentation of a coupon or in any other manner,

- to ensure liquidity and an active market in the Company's shares through an investment service provider pursuant to a liquidity agreement in accordance with a code of ethics recognized by the French "*Autorité des marchés financiers*",

- to retain shares and, if appropriate, sell, transfer or exchange them in conjunction with or following any merger or purchase transactions, up to a limit of 5% of the Company's stated capital in accordance with market practices recognized by the French "*Autorité des marchés financiers*",

- to cancel all or part of the shares purchased, subject to the adoption of the 13th resolution,

- for any other purpose authorized now or in the future by applicable law or regulations.

4. The purchase, sale, transfer or exchange of said shares may be made, in accordance with the rules issued by market authorities, at any time, excluding the periods for public offerings on the Company's share capital.

5. The purchase, sale, transfer or exchange of said shares may be made, in accordance with the rules issued by market authorities, in any manner, including through block sales, public offerings, the use or exercise of any financial instrument or derivative, in particular, using options transactions such as the purchase and sale of purchase or sale options either directly or through an investment service provider.

6. This authorization is issued for a term of 18 months as of the date of this Meeting and cancels the authorization issued in the seventh resolution approved at the ordinary and special shareholders meeting held on May 3, 2007.

7. In accordance with applicable regulations, the Company must inform the French "*Autorité des marchés financiers*" of the purchases, sales, and transfers completed and, in general, complete any necessary formalities and filings.

As a result, the shareholders grant full authority to the Board of Directors, with the right to further delegate, to implement this authorization, submit any stock exchange orders, take any steps and make any filings with any entity and, in general, take all necessary actions.

The Board of Directors must inform the shareholders of the transactions completed in accordance with applicable law.



➤ EXTRAORDINARY part

AUTHORIZATION GRANTED TO THE BOARD OF DIRECTORS TO REDUCE STATED CAPITAL BY CANCELING TREASURY STOCK).

THIRTEENTH RESOLUTION

The shareholders' meeting, in accordance with the quorum and majority required for extraordinary shareholders' meetings, after having familiarized themselves with the report of the Board of Directors and the special report of the auditors, in accordance with the provisions of Articles L. 225-209 et seq. of the French Commercial Code:

1. authorizes the Board of Directors to cancel, completely at its own discretion, on one or more occasions, and up to 10% of the Company's stated capital per twenty-four month period, all or part of the shares acquired pursuant to the authorization approved in the 12th resolution at this ordinary shareholders' meeting;
2. decides that the difference between the book value of the shares cancelled and their par value may be allocated to any reserve or premium account;
3. grants the Board of Directors, with right to further delegate up to the limits set by law, full authority, and completely at its own discretion, to cancel the shares so acquired, complete the capital reduction and aforementioned allocation, amend Article 6 of the articles of incorporation and by-laws (*statuts*) accordingly and complete any formalities.

This authorization is issued for a period of 24 month as of the date of this shareholders' Meeting.

DIRECTOR REPRESENTING EMPLOYEE SHAREHOLDERS/ AMENDMENT OF THE ARTICLES OF INCORPORATION AND BY-LAWS

FOURTEENTH RESOLUTION

The shareholders' meeting, in accordance with the quorum and majority required for extraordinary shareholders' meetings, after having reviewed the report of the Board of Directors, decides to add a point 2 to Article 11 of the articles of incorporation and by-laws of the Company, which shall read as follows:

2) Director representing employee shareholders

2.1 When legal requirements have been fulfilled, and excluding the exceptions provided for by regulation, a director representing employee shareholders shall be elected at an ordinary shareholders' meeting as provided for in applicable regulations, as well as in these articles of incorporation and by-laws.

The term of office shall be that provided for any director in these articles of incorporation and by-laws. However, the term shall expire automatically in the event the director ceases to be an employee of the Company or a company or an economic interest grouping affiliated therewith within the meaning of Article L. 225-180 of the French Commercial Code, as applicable.

2.2 Prior to beginning the process of selecting the candidates for the position of the director representing employee shareholders who will be presented for approval at an ordinary shareholders' meeting, a Regulation Governing the Selection of Candidates establishing the procedures for this selection process must be developed by the Board of Directors or, based upon its delegation, by the Chairman of the Board of Directors.

In accordance with applicable laws and regulations and these Articles of incorporation and by-laws, this Regulation shall determine the procedures for implementing this procedure, and in particular:

- *developing a list of shareholder employees wishing to be candidates,*
- *voting by the shareholders listed in Article L. 225-102 of the French Commercial Code regarding such candidates, and*
- *developing a list of candidates selected by the shareholders listed in Article L. 225-102 of the French Commercial Code that, based on the results of said vote, will be presented for approval at an ordinary shareholders' meeting for the position of director representing employee shareholders pursuant to Article L. 225-23 of the French Commercial Code.*

This Regulation must be made available to the shareholders listed in Article L. 225-102 of the French Commercial Code at the Company's principal office.

2.3 To be validly selected as a candidate for the position of director representing employee shareholders, candidates must meet the following conditions:

- *be an employee of the Company or a company or an economic interest grouping affiliated therewith within the meaning of Article L. 225-180 of the French Commercial Code;*
- *pursuant to a corporate savings plan (plan d'épargne d'entreprise) or any other ownership method listed in Article L. 225-102, directly or indirectly, and at any time between his candidacy and when the ordinary shareholders' meeting is held to vote on the selection of said candidate for the position of director representing employee shareholders, hold an equity interest in the Company, either in the form of shares of the Company, shares in a corporate investment fund (fonds communs de placement d'entreprise) or shares in other collective securities investment entities the assets of which consist of shares issued by the Company in the percentages provided for in Article L. 214-40 of the French Monetary and Finance Code;*
- *as provided for by Regulation, be one of the four candidates that receive the largest number of sponsorships from persons who are shareholders listed in Article L. 225-102 of the French Commercial Code, provided that each of said persons may grant only one sponsorship.*



2.4 Voting for the shareholders listed in Article L. 225-102 of the French Commercial Code on the four candidates selected based on the sponsorships listed in the preceding paragraph shall be by direct and individual vote of said shareholders of both the shares that they hold directly under a corporate savings plan of the Company and of the shares of investment funds (or equivalent bodies for all other collective securities investment entities) the assets of which consist of shares issued by the Company in the percentages provided for in Article L. 214-40 of the French Monetary and Finance Code.

Each voter shall have a number of votes proportional to his percentage of ownership of the Company's stated capital.

2.5 The candidates who will be presented for approval at an ordinary shareholders' meeting as the director representing employee shareholders will be the two candidates who obtained the largest number of votes during the vote listed in Article 2.4 above. In the event of tie involving two or more candidates, the oldest candidate(s) shall be deemed selected.

2.6 The director representing employee shareholders shall be approved at an ordinary shareholders' meeting in accordance with the procedures for appointing directors. In the event of tie vote, the oldest candidate shall be deemed elected.

The director representing employee shareholders shall not be counted to determine the minimum and maximum number of directors provided for in Article L. 225-17 of the French Commercial Code.

In the event of vacancy in the position of the director representing employee shareholders for any reason whatsoever, he shall be replaced as provided for above.

Prior to said director being appointed, the Board of Directors may validly meet and deliberate.

2.7 The provisions of the last paragraph of Article 11(1) above shall not apply to this director.

Nevertheless, under a corporate savings plan or any other ownership method provided for in Article L. 225-102, he must own at least one share of the Company or the number of shares of corporate investment funds or other collective securities investment entities the assets of which consist of shares issued by the Company in the percentages provided for in Article L. 214-40 of the French Monetary and Finance Code that correspond to at least one share. If, as of the date of his appointment, he does not qualify as such an owner or if, during his term, he ceases to so qualify, he shall be deemed to have resigned from office, notwithstanding the fact that he continues to be an employee.

In the event of vacancy in the position of the director representing employee shareholders for any reason whatsoever, the Board may validly meet and deliberate.

DIRECTOR REPRESENTING THE EMPLOYEES/ AMENDMENT OF THE ARTICLES OF INCORPORATION AND BY-LAWS

FIFTEENTH RESOLUTION

(NOT APPROVED BY THE BOARD OF DIRECTORS)

The shareholders' meeting, in accordance with the quorum and majority required for extraordinary shareholders' meetings, after having reviewed the report of the Board of Directors, decides to add a point 3) to Article 11 of the Articles of incorporation and by-laws of the Company, which shall read as follows:

3) Director elected by salaried employees

"A Director shall be elected by the salaried employees of the Company and the direct or indirect subsidiaries the principal office of which is located in France pursuant to Articles L. 225-27 et seq. of the French Commercial Code. The procedures for this election are set forth in the French Commercial Code and these articles of incorporation and by-laws.

The term of office shall be that provided for any director in these articles of incorporation and by-laws. However, his term shall expire automatically in the event of the termination of his employment contract in accordance with Article L. 225-32 of said Code.

The director elected by the salaried employees must own the number of shares of the Company required in Article 11(1) above in accordance with Article L. 225-25 of the French Commercial Code. The director elected must, if necessary, become the owner of this number of shares of the Company within the deadline provided for in the aforementioned Article L. 225-25.

For a vacant position, the election shall take place by majority vote in two rounds.

All employees of Rhodia and its subsidiaries as defined above who meet the conditions set out in applicable law are eligible to run. Each candidacy must include, in addition to the name of the candidate, the name of his replacement in the event of absence for any reason whatsoever.

A candidate who receives an absolute majority of votes in the first round shall be elected; the candidate who receives a plurality in the second round shall be elected.

Elections shall be organized so that the second round may take place no later than fifteen days prior to the normal expiration of the term of the outgoing Director.

In all events where the continuation of a term as Director elected by the salaried employees as provided for in these articles of incorporation and by-laws requires new elections, they will be organized as soon as possible. The new director so appointed shall assume his position upon the announcement of the results; if, after the expiration of the term of the previous Director and, until this date, the Board of Directors may validly meet and deliberate, or he shall assume his position upon expiration of the mandate of the previous Director, if the announcement of the results is prior thereto.



For both the first and second voting rounds, the following deadlines must be met:

- *the date of the vote, voting (in particular, by mail) procedures and the procedures for the conduct of the vote must be announced at least eight weeks prior to the date of the vote.*

This announcement shall be made using all appropriate means by Company Management;

- *the list of voters must be made available at least six weeks prior to the date of the vote;*
- *candidates must file at least five weeks prior to the date of the vote;*
- *the list of candidates must be made available at least four weeks prior to the date of the vote;*
- *the documents necessary to vote by mail must be distributed at least three weeks prior to the date of the vote.*

Candidates other than those submitted by a union as defined in the French Labor Code must file a document with the names and signatures of one hundred employees with the name of the candidate and any replacement.

Voting shall take place on a single day at the work place during work hours. However, employees who, due to their type of work or working conditions, are not located near a voting location and those who know that they will be absent on the date of the election may vote by mail. Employees working abroad or in France at sites that do not have a voting office may also vote by mail.

Each voting office consists of three voters, chaired by the oldest thereof. The voting office is responsible for the successful conduct of the vote.

Votes shall be counted on site at each voting office immediately after the close of the vote in presence of the three voters making up the office and any voters wishing to observe. A report shall be prepared by each office after the count has been completed which must be signed by the members of the voting office.

The reports must be immediately transmitted to the principal office of Rhodia where a central results office will be created to issue a summary report and announce the results. The central results office shall consist of three voters.

Voting procedures not specified in the French Commercial Code or in these articles of incorporation and by-laws shall be determined by Management, after consulting the unions.

This director shall not be counted to determine the minimum and maximum number of directors provided for in Article L. 225-17 of the French Commercial Code."

AUTHORITY

SIXTEENTH RESOLUTION

The shareholders' meeting resolves 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 legislation or regulations in force, 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 for the year ended December 31, 2007

Dear shareholders,

In our capacity as Statutory Auditors of your Company, we hereby report to you on regulated agreements and commitments with related parties.

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

Pursuant to the Article L. 225-40 of the Commercial Code, we have been informed of those agreements and commitments which had received prior approval by the Board of Directors.

It does not fall within the scope of our responsibility to identify any other agreements and commitments which might potentially exist. Instead, our role is to communicate to you, based on information provided to us, the principal terms and conditions of those agreements which have been brought to our attention, without expressing an opinion as to their general usefulness or merit. It is your responsibility, pursuant to Article R. 225-31 of the Commercial Code, to exercise your judgment as part of the approval process regarding the interests served by entering into these agreements and commitments.

We conducted our work in accordance with professional standards applicable in France; those standards require that we undertake steps to verify that the information provided to us is consistent with the underlying documentation from which it has been extracted.

1.1 - Amendment to the separation agreement with the Chairman and Chief Executive Officer

Concerned individual: Mr. Jean-Pierre Clamadieu

In March 2007, your Board of Directors authorized the signing of a separation agreement with Mr. Jean-Pierre Clamadieu. This agreement, the principal provisions of which we had communicated to you in our special report presented to the general shareholders' meeting convened on May 3, 2007, including

particularly the term relating to the indemnity that may be paid to the Chief Executive Officer in case of termination of his term in office, was approved at the said meeting.

On March 17, 2008, your Board of Directors authorized the conclusion of an amendment to the separation agreement, in order to make that agreement conform with the provisions of the law of August 21, 2007 concerning work, employment and purchasing power (*en faveur du travail, de l'emploi et du pouvoir d'achat*). It added the following elements:

- **performance-related condition:** the amendment subjects receipt of the indemnity provided for in the separation agreement to compliance with a condition related to the beneficiary's performance as assessed with respect to the Company's performance. Thus, Mr. Jean-Pierre Clamadieu may receive the indemnity only if Rhodia's net income for 2008, as shown in the consolidated financial statements published in 2009, is higher than the average annual net income as set forth in the consolidated annual financial statements for 2006 and 2007 (that is, €99 million). Should the beneficiary's term of office end prior to the publication of the net income for 2008, reference will be made to the half-year net income at June 30, 2008, which must be higher than the average of the half-year net income derived from the half-year consolidated accounts at June 30, 2006 and 2007 (that is, €54 million);
- **Condition to Payment of the Indemnity:** the amendment provides that, regardless of the cause, the indemnity may not be paid prior to (i) the Rhodia Board of Directors formally acknowledging compliance with the aforementioned performance-related Condition, and (ii) this decision being made public.

In addition, the amendment indicates that the appointment covered by the separation agreement is his position as Chairman responsible for the general management of the Company to which Mr. Clamadieu was appointed at the Board of Directors meetings held on March 17, 2008.

The other provisions of the separation agreement were not changed by the amendment.



1.2 – Modification of the employment contract with a Director

Concerned individual: Mr. Jacques Khélif

At the March 17, 2008 meeting, your Board decided to modify the employment contract with Mr. Jacques Khélif, Director and Vice President for Sustainable Development of the Rhodia Group, in order to fix his annual compensation at €200,000.

2 – AGREEMENTS AND COMMITMENTS APPROVED IN PREVIOUS YEARS WHICH HAD CONTINUING EFFECT DURING THIS YEAR

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Furthermore, in accordance with the March 23, 1967 Decree, we were notified that the performance of the following agreements and commitments that had been approved in previous years continued during the past year.

2.1 – Refinancing agreement known as "Multicurrency Revolving Credit and Guaranty Facility" or "RCF"

In June 2005, Rhodia S.A. concluded an agreement with a limited number of banks, on its behalf and on behalf of certain of its subsidiaries, including Rhodia Inc., for a renewable syndicated multicurrency line of credit totaling €300 million and expiring June 30, 2008.

In the framework of this agreement, Rhodia S.A., Rhodia Inc and certain of their subsidiaries agreed to grant a series of security interests to the signatory banks and certain other banks who act as the Group's creditors (the "Secured Creditors"). These security interests include pledges of capital holdings in Rhodia subsidiaries, intragroup loans and certain industrial assets located in the United States. Furthermore, according to the terms of the subordination agreement, Rhodia S.A. agreed in the case of default of financial commitments to subordinate payment of certain debts relating to its subsidiaries to payment of its debts to the secured creditors.

This agreement was terminated on April 27, 2007, following its replacement by a new line of credit.

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

In December 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, 2007, the amount of financing obtained under this program amounted to approximately €33 million.

Neuilly-sur-Seine and Paris La Défense, March 27, 2008

STATUTORY AUDITORS

PRICEWATERHOUSECOOPERS AUDIT

Christian PERRIER

SALUSTRO REYDEL
Member of KPMG International

Dominique STIEGLER



➤ Report of the Statutory Auditors on Reducing Capital by Canceling Shares

Dear shareholders,

In our capacity as the auditor of Rhodia S.A. and 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.

Neuilly-sur-Seine and Paris La Défense, March 27, 2008

STATUTORY AUDITORS

PRICEWATERHOUSECOOPERS AUDIT

Christian PERRIER

SALUSTRO REYDEL
Member of KPMG International

Dominique STIEGLER



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 « Shareholder's Area » 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

Line 1 (La Défense - Château de Vincennes) -
Station Porte Maillot
(exit avenue Charles de Gaulle)

By RER

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

By bus

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



A société anonyme with share capital of 1,213,031,484 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

ANNUEL GENERAL MEETING OF SHAREHOLDERS
(Ordinary and Extraordinary)

May 16, 2008*

at the « Pavillon d'Armenonville »
Allée de Longchamps, 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 135 of the Decree of March 23, 1967 on commercial companies.

Done at, on 2008

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.

* In accordance with the legal provisions, the first notice of Meeting will be issued for a Meeting on May 5, 2008 at 2 p.m. to be held at the registered office at Immeuble Cœur Défense – 110 esplanade Charles de Gaulle – 92400 COURBEVOIE, France. Since all the indications are that this Meeting will not have a requested quorum to deliberate on that date, a second notice of Meeting is being issued for a Meeting on May 16, 2008 at 3 p.m. to be held at "Pavillon d'Armenonville", Allée de Longchamp, Bois de Boulogne, 75116 Paris.



