

**MESSRS NANOT AND CLAMADIEU APPEAL
THE DECISION OF A COMMERCIAL COURT**

Paris, December 15, 2008 ---- The Nanterre Commercial Court handed down, on December 3rd, its ruling in the proceedings initiated in 2005 against Yves René Nanot and Jean-Pierre Clamadieu.

The ruling stated that no fault had been committed when the severance benefits were paid to Jean-Pierre Tirouflet when he left the Company in October 2003.

The court nevertheless criticized Messrs Nanot and Clamadieu for not subsequently contesting this payment, even though it was found to be regularly made, when requested by a shareholder. This ruling therefore means that they should have contested *a posteriori* a settlement agreement whose terms were upheld by the same court. Messrs Nanot and Clamadieu will naturally appeal this decision, making it therefore unenforceable.

At a meeting held on December 11th 2008, the Rhodia Board of Directors noted that Messrs Nanot and Clamadieu strictly applied the Board's decisions taken at the time and is of the opinion that they should not be held personally liable for having done so. The payment was made under the control of the Board of Directors and its Compensation Committee at the time, in line with the provisions of an employment contract approved by the Rhodia Board of Directors in 2001 and ratified by shareholders at their Annual Meeting in 2002. The Board of Directors finally underlined the fact that, under the leadership of Messrs Nanot and Clamadieu, Rhodia has been applying for several years now the highest standards of corporate governance and would like to express its full confidence and support in them.

Rhodia is an international chemical company resolutely committed to sustainable development. As a leader in its businesses, the Group aims to improve its customers' performance through the pursuit of operational excellence and its ability to innovate. Structured around six Enterprises, Rhodia is the partner of major players in the automotive, tire, electronics, perfume, health & beauty and home care markets. The Group employs around 15,000 people worldwide and generated sales of €4.8 billion in 2007. Rhodia is listed on Euronext Paris.

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