Chemistry is our world, Responsibility is our way

Press release

Paris, May 6, 2009

FIRST QUARTER 2009 RESULTS

Strong volume contraction and costly raw material inventories severely impact EBITDA

Rhodia demonstrates its ability to generate Free Cash Flow in this very challenging environment

Forenote: All period variances referred to in this document are to be deemed on a year on year, like-for-like(1) basis, unless otherwise stated

Key highlights

- ✓ (27)% volume contraction due to weak underlying demand and continued de-stocking by customers across geographic zones
- ✓ Polyamide's recurring EBITDA(2) severely impacted by depressed volumes and by the €(70) million adverse impact from the absorption of costly raw material inventories
- ✓ With the exception of Polyamide, sustained price increases of 7%(3) across Enterprises more than offset raw material and energy cost increases
- ✓ Fixed costs down by €23 million, resulting from both short-term measures and structural competitive plans
- ✓ €73 million of Free Cash Flow, consequent to effective financial discipline and stringent operating cash management
- ✓ Net Debt at €1,324 million, stable compared to the end of 2008

"*As anticipated, we faced in the first quarter unprecedented low levels of demand. This, combined with the absorption of costly raw material inventories, resulted in a major adverse impact on profitability. However, we succeeded in generating Free Cash Flow thanks to the swift adjustment of our business management processes which proved very effective*", commented Rhodia Chairman & CEO Jean-Pierre Clamadieu.

"*The negative impact from costly raw material inventories is now behind us. Looking ahead, we are perceiving signs of slight demand recovery in Asia and Latin America and we expect that customer de-stocking in Europe and North America will be completed by the end of the semester. In a very uncertain economic environment, our key priority remains to generate Free Cash Flow in 2009".*

(1) Like for like: at constant scope and currency conversion
(2) Before restructuring and other operating income and expenses
(3) Excluding Polyamide

Summary income statement Q1

In € million	Q1 2008	Q1 2008 *like for like*[1]	Q1 2009	Variation *like for like*[1]
Net Sales	1,186	1,213	**920**	(24)%
Recurring EBITDA[2]	168	168	**2**	(98)%
Operating Profit	93	92	**(91)**	n.m[4]
Profit from continuing operations	40		**(128)**	
Profit/(loss) from discontinued operations	2		**(7)**	
Net Profit/ Group Share	42		**(134)**	
Earnings per Share (in €), basic	0.41		**(1.35)**	
Free Cash Flow[3]	(38)		**73**	

1. Profitability severely affected by weak activity levels and absorption of costly raw material inventories

In the first quarter, **Net Sales** were down (24)% at €920 million versus €1,213 million in Q1 2008 as a result of a (27)% contraction in volumes primarily linked to the demand crisis in the automotive, construction and other industrial end-markets across geographic zones. As anticipated, Polyamide, Silcea and part of Novecare were the most impacted. However, the Home & Personal care and Agro segments within Novecare remained resilient, as were Acetow, Eco-Services and Energy Services.

Recurring EBITDA amounted to €2 million in Q1**,** compared to €168 million in the same period last year. This reflects the unprecedented drop in volumes and the corresponding poor operating yields, as well as the significant adverse impact of €(70) million, affecting Polyamide, related to the absorption of costly raw material inventories. Excluding Polyamide, price increases amounted to 7%[5], more than offsetting raw material and energy cost rises.

The success of the Group's cost reduction efforts was evident in the net €23 million decrease in **fixed costs** in Q1, derived both from the widely deployed short term measures and progress on the structural competitiveness plans.

Operating Profit in Q1 was €(91) million versus €92 million a year earlier. The significant decrease in profit is primarily a reflection of the recurring EBITDA evolution coupled with larger restructuring charges of €(20) million in this first quarter compared to €(2) million on the year's ago quarter.

Net Financial charges slightly increased to €(45) million in Q1 2009 from €(42) million in Q1 2008.

Income tax reported a €8 million net tax credit from the combination of current tax charges of €(10) million, more than offset by a €18 million credit mainly linked to the recognition of deferred tax assets in Brazil.

(1) Like for like: at constant scope and currency conversion
(2) Before restructuring and other operating income and expenses
(3) Defined as "net cash provided by operating activities" before margin call plus "non recurring refinancing cash costs" minus Capital Expenditure
(4) Non meaningful
(5) Excluding Polyamide

The **Net Profit/(Loss) Group Share** was a negative €(134) million compared to 42 million in the same period last year.

Earnings per Share were €(1.35) versus €0.41 in Q1 2008.

2. Effective operating cash management

In the first quarter, the Group reduced its operating **Working Capital**, reflecting a successful management of inventories, tightly aligned with lower activity levels.

Capital Expenditure decreased by (29)% to €52 million from €73 million a year earlier, in line with a selective investment policy focused on improving operational performance while maintaining high safety and environmental standards.

Rhodia generated a positive **Free Cash Flow** of €73 million in Q1, when reduced Working Capital needs contributed €155 million, versus €(38) million in the same period last year. The Group registered a non-recurring €40 million cash inflow from the unwinding of a foreign exchange hedge linked to an inter-company loan.

The Group reported a stable **Consolidated Net Debt** of €1,324 million, after the completion of the McIntyre acquisition.

Furthermore, Rhodia has proactively renegotiated the financial performance covenants bearing on its €600m revolving credit line, which primarily remains un-drawn. This credit facility, combined with the €554 million of cash available[1], provides the Group with a highly satisfactory liquidity cushion.

3. Relentless focus on cash generation

Business management processes adapted to Free Cash Flow priority

From the end of 2008, the Group adjusted its business management processes to align with its Free Cash Flow generation priority. Thus, the Group has promptly deployed numerous measures across its Enterprises and support functions such as the reduction of temporary workers, the wide introduction of flexible working arrangements and scheduling, the in-sourcing of some previously subcontracted work and streamlining general expenses. Furthermore, Rhodia has established 25 cash-focused operational units structured around its business and geographic segments in order to optimize their cash generation potential. Likewise, the supply chain management has been improved to tightly align the Group's inventories to demand levels.

Timely launch of structural cost competitiveness programs

Multiple structural action plans have been swiftly launched spanning from site rationalizations leading to capacity cuts and industrial process optimization across the Group. Their deployment as well as other new actions shall be pursued over the upcoming quarters. These programs are well on track toward the objective of €150 million savings by 2011.

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(1) Sum of cash, cash equivalents and other current financial assets

4. Overview by Enterprise

Polyamide

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

In € million	Q1 2008	Q1 2008 Like for Like(1)	Q1 2009	Variation Like for Like(1)
Net Sales	476	458	286	(38)%
Recurring EBITDA(2)	52	48	(96)	n.m(3)

Polyamide suffered from a drop in volumes of (32)% compared to the year's ago quarter, primarily resulting from the crisis in the automotive and construction markets in all geographic zones. In addition, the Enterprise had to absorb costly raw material inventories (now completed) with an impact of €(70) million on the bottom line. Looking forward, Polyamide is beginning to perceive a slight improvement in volumes compared to the first quarter.

Novecare

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

In € million	Q1 2008	Q1 2008 Like for Like(1)	Q1 2009	Variation Like for Like(1)
Net Sales	235	255	209	(18)%
Recurring EBITDA(2)	28	29	14	(52)%

Novecare's Home & Personal Care and Agro segments demonstrated resilience while Oilfield and Industrial applications experienced a slowdown. The Enterprise demonstrated good pricing power, with price increases amounting to 8% overall more than offsetting increases in raw material costs. The Enterprise completed the acquisition of McIntyre - its integration has started well and is proceeding smoothly. Novecare is confident in its ability to achieve the expected synergies by 2011. Looking forward, Home & Personal Care and Agro activities should remain resilient whereas Oilfield activities continue to deteriorate and no recovery is perceivable so far in the Industrial segments.

(1) Like for like: at constant scope and currency conversion
(2) Before restructuring and other operating income and expenses
(3) Non meaningful

Silcea

Rhodia Silcea produces high performance silicas, rare earth-based materials and diphenols to serve the automotive emissions reduction, tire, lighting, electronics, flavours, fragrances and other various industrial markets.

In € million	Q1 2008	Q1 2008 Like for Like[1]	Q1 2009	Variation Like for Like[1]
Net Sales	189	203	142	(30)%
Recurring EBITDA[2]	27	30	3	(90)%

Silcea experienced a slowdown across its three segments with overall volumes down by (34)% compared to Q1 2008, linked to the global crisis in automotive, electrical & electronics and other industrial markets, where de-stocking persisted during the quarter. Silica and Rare Earths activities benefited from sustained pricing power. Looking forward, Silcea should register some modest improvement.

Energy Services

Rhodia Energy Services is responsible for the Group's energy supply and the management of Rhodia's projects related to the reduction of greenhouse gas emissions.

In € million	Q1 2008	Q1 2008 Like for Like[1]	Q1 2009	Variation Like for Like[1]
Net Sales	52	52	41	(21)%
Recurring EBITDA[2]	53	53	48	(9)%

Energy Services performed well in its cogeneration activity, helped by a cold winter. Carbon Emission Reduction (CER) volumes are in line with seasonal levels and the Enterprise confirms its forecast for 13 million tons over the full year.

Acetow

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

In € million	Q1 2008	Q1 2008 Like for Like[1]	Q1 2009	Variation Like for Like[1]
Net Sales	113	123	135	9.8%
Recurring EBITDA[2]	20	21	34	62%

Acetow registered good volumes over the quarter. In addition, the Enterprise enjoys good pricing power based on its product and service quality. Acetow should moreover continue to benefit from resilient demand.

[1] Like for like: at constant scope and currency conversion
[2] Before restructuring and other operating income and expenses

Eco Services

Rhodia Eco Services offers sulfuric acid regeneration services to chemical manufacturers and oil refiners in North America.

In € million	Q1 2008	Q1 2008 Like for Like[1]	Q1 2009	Variation Like for Like[1]
Net Sales	57	65	66	1.5%
Recurring EBITDA[2]	20	21	34	60%

Despite volumes slowing down in Q1, Eco Services benefited from particularly favorable pricing contracts and rapidly falling raw material and energy costs. Looking ahead, Eco Services expects sequentially lower but still satisfactory margins sustained by volumes improvement in Q2 from the driving season.

6. Outlook

Uncertainty still prevails in a depressed economic environment. No signs of recovery have been seen in Europe and North America but the completion of customer de-stocking is expected by the end of Q2. Rhodia has also started to perceive the first signs of slight demand recovery in Asia and Latin America.

With the specific issue of costly inventories over the past few months now resolved, the Group should be able to take advantage of the significant decrease in raw material and energy market prices observed since the end of 2008.

In the following quarters, financial discipline and progressive implementation of the competitiveness action plans will continue to be a key priority. The Group remains focused on generating Free Cash Flow in 2009.

[1] Like for like: at constant scope and currency conversion
[2] Before restructuring and other operating income and expenses

Safe Harbor for forward looking statements

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

Rhodia *is an international chemical company resolutely committed to sustainable development. 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, electronics, flavors and fragrances, health, personal and home care markets, consumer goods and industrial markets. The Group employs around 14,500 people worldwide and generated sales of €4.8 billion in 2008. Rhodia is listed on NYSE Euronext Paris.*

For more information, please visit our website www.rhodia.com

Upcoming events

- **Journalists conference call on May 6, 2009** (in French language) **at 9:00 CET**

  Host: Jean-Pierre CLAMADIEU, Chairman and Chief Executive Officer

- **Investors & Analysts conference call on May 6, 2009 at 11:00 CET**

  Hosts: Jean-Pierre CLAMADIEU, Chairman and Chief Executive Officer
Pascal BOUCHIAT, Chief Financial Officer

Live webcast: Rhodia website www.rhodia.com

- **Annual Meeting of Rhodia Shareholders will take place in May 20, 2009**
- **Rhodia's second quarter 2009 results will be published on July 29, 2009**
- **Rhodia's third quarter 2009 results will be published on November 4, 2009**

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Results Fact Sheet: Q1 '09

Income Statement			
€ million	**Q1* '08**	**Q1* '09**	**Variation**
Net Sales	**1 186**	**920**	**(22,4)%**
Other revenue	151	146	
Recurring EBITDA	**168**	**2**	**(98,8)%**
Recurring EBITDA Margin	**14,2%**	**0,2%**	
Depreciation & Amortization excl. Amos restr	(70)	(67)	
Other Gains and Losses	(3)	(6)	
Restructuring Costs	(2)	(20)	
Operating Profit	**93**	**(91)**	**n.m**
Financial Results	(42)	(45)	
Profit/(loss) before income tax	**51**	**(136)**	**n.m**
Income tax	(11)	8	
Profit/(loss) from continuing operations	**40**	**(128)**	
Profit/(loss) from discontinued operations	2	(7)	
Net Profit/(loss)	42	(135)	
Net Profit/(loss) (Group Share)	**42**	**(134)**	**n.m**

Earnings per share €	**0.41**	**(1.35)**	**n.m**
Average number of shares outstanding	100,967,329	99,294,931	

	Net Sales			Recurring EBITDA			Operating Profit	
€ million	Q1* '08	**Q1* '09**	Variation	Q1* '08	**Q1* '09**	Variation	Q1* '08	**Q1* '09**
RHODIA	1 186	**920**	(22,4)%	168	**2**	(98,8)%	93	**(91)**
POLYAMIDE	476	**286**	(39,9)%	52	**(96)**	n.m	29	**(132)**
NOVECARE	235	**209**	(11,1)%	28	**14**	(50,0)%	19	**(1)**
SILCEA	189	**142**	(24,9)%	27	**3**	(88,9)%	16	**(11)**
ENERGY SERVICES	52	**41**	(21,2)%	53	**48**	(9,4)%	50	**44**
ACETOW	113	**135**	19,5%	20	**34**	70,0%	13	**26**
ECO SERVICES	57	**66**	15,8%	13	**24**	84,6%	9	**20**
CORPORATE & Others	64(1)	**41(1)**	(35,9)%	(25)	**(25)**	n.m	(43)	**(37)**

(1) including inter-company sales elimination

Net Financial Debt		
March 31, 2008	**December 31, 2008**	**March 31, 2009**
1,529	1,311	1,324

Outlook

Q2 '09 outlook	**2009 priority**
● **Uncertainty prevails** **but** ● **First signs of slight demand recovery in Asia & Latin America** ● **Expectation of completion of customer de-stocking by end of Q2** ● **Costly raw material inventory impact behind us**	**Strong management focus to generate Free Cash Flow**

* Unaudited

Results Fact Sheet: Q1 '09

POLYAMIDE	• Volume down by (32)% mainly from Automotive and, to a lesser extent, from Construction & Textile markets worldwide • Low volumes triggering plants inefficiencies (low operating yields) • Massive impact in Q1 '09 from absorption of costly raw material inventories, fundamentally overcome by end of the quarter
NOVECARE	• Market slowdown impacted volumes in Oil Field and Industrial applications whilst HPC and Agro continued to demonstrate resilience • 8% price increase demonstrated good pricing power retention, allowing to offset raw material increases • Fixed costs under control • McIntyre acquisition completed and integration started well. Confidence in attaining integration synergies as expected
SILCEA	• Overall (34)% volume decline YoY in the 3 segments, affected by persisting de-stocking in Automotive, Electronics and other industrial markets over Q1 '09 • Sustained pricing power in Silica and Rare Earths • Strong reduction of fixed costs • Restructuring measures launched swiftly
ENERGY SERVICES	• Good co-generation activity, which benefited from cold winter • CERs activity in line with outlook of 13mT FY '09
ACETOW	• Good level of demand • Good pricing power based on excellent positioning through product and service quality • Successful continued deployment of cost competitive plans
ECO SERVICES	• Favorable pricing contract and rapidly dropping raw material & energy costs • Volumes slowing down in Q1 • Good fixed cost management

€ million	**Net Sales Q1* '08**	Scope	Foreign Exchange conversion	**Net Sales Q1* '08 like for like**	Foreign Exchange transaction	Volume & mix	Selling Price	**Net Sales Q1* '09**	**Variation Q1 '08 – Q1 '09**	**Variation Q1* '08 – Q1* '09 like for like**
RHODIA	**1 186**	**15**	**12**	**1 213**	**33**	**(329)**	**3**	**920**	(22,4)%	(24,2)%
POLYAMIDE	**476**	13	(31)	**458**	25	(148)	(49)	**286**	(39,9)%	(37,6)%
NOVECARE	**235**	6	14	**255**	2	(68)	20	**209**	(11,1)%	(18,0)%
SILCEA	**189**	1	13	**203**	2	(68)	5	**142**	(24,9)%	(30,0)%
ENERGY SERVICES	**52**	0	0	**52**	0	(8)	(3)	**41**	(21,2)%	(21,2)%
ACETOW	**113**	8	2	**123**	4	(4)	12	**135**	19,5%	9,8%
ECO SERVICES	**57**	0	8	**65**	0	(15)	16	**66**	15,8%	1,5%
CORPORATE & Others including inter-company sales elimination	**64**	(13)	6	**57**	0	(18)	2	**41**	(35,9)%	(28,1)%

€ million	**Rec. EBITDA Q1* '08**	Scope	Forex conversion	**Rec. EBITDA Q1* '08 like for like**	Volume & mix	Selling Price	Raw materials & Energy	Forex transaction	Fixed Costs	**Rec. EBITDA Q1* '09**	**Rec. EBITDA Margin Q1* '09**
RHODIA	**168**	**(2)**	**2**	**168**	**(123)**	**3**	**(68)**	**(1)**	**23**	**2**	0,2%
POLYAMIDE	**52**	1	(5)	**48**	(51)	(49)	(44)	(1)	1	**(96)**	(33,6)%
NOVECARE	**28**	(1)	2	**29**	(27)	20	(12)	1	3	**14**	6,7%
SILCEA	**27**	1	2	**30**	(27)	5	(10)	1	4	**3**	2,1%
ENERGY SERVICES	**53**	-	-	**53**	1	(3)	(3)	-	-	**48**	n.m
ACETOW	**20**	1	-	**21**	(1)	12	3	(2)	1	**34**	25,2%
ECO SERVICES	**13**	-	2	**15**	(8)	16	(1)	-	2	**24**	36,4%
CORPORATE & Others	**(25)**	(4)	1	**(28)**	(10)	2	(1)	-	12	**(25)**	n.m

* Unaudited

Results Fact Sheet: Quarterly results

€m	Q1* '08	Q1* '09	Q2* '08	H1** '08	Q3* '08	Q4* '08	H2* '08	FY '08
RHODIA								
Net Sales	**1,186**	**920**	**1,227**	**2,413**	**1,224**	**1,126**	**2,350**	**4,763**
Recurring EBITDA	**168**	**2**	**187**	**355**	**168**	**141**	**309**	**664**
Rec. EBITDA margin	**14.2%**	**0,2%**	***15.2%***	***14.7%***	***13.7%***	***12.5%***	***13.1%***	***13.9%***
Operating Profit	**93**	**(91)**	**115**	**208**	**87**	**14**	**101**	**309**
POLYAMIDE								
Net Sales	**476**	**286**	**495**	**971**	**465**	**353**	**818**	**1,789**
Recurring EBITDA	**52**	**(96)**	**60**	**112**	**38**	**(8)**	**30**	**142**
Rec. EBITDA margin	**10.9%**	*(33,6)%*	***12.1%***	***11.5%***	***8.2%***	***(2.3)%***	***3.7%***	***7.9%***
Operating Profit	**29**	**(132)**	**34**	**63**	**11**	**(64)**	**(53)**	**10**
NOVECARE								
Net Sales	**235**	**209**	**240**	**475**	**260**	**236**	**496**	**971**
Recurring EBITDA	**28**	**14**	**30**	**58**	**43**	**26**	**69**	**127**
Rec. EBITDA margin	**11.9%**	*6,7%*	***12.5%***	***12.2%***	***16.5%***	***11.0%***	***13.9%***	***13.1%***
Operating Profit	**19**	**(1)**	**21**	**40**	**31**	**20**	**51**	**91**
SILCEA								
Net Sales	**189**	**142**	**195**	**384**	**193**	**169**	**362**	**746**
Recurring EBITDA	**27**	**3**	**35**	**62**	**30**	**14**	**44**	**106**
Rec. EBITDA margin	**14.3%**	*2,1%*	***17.9%***	***16.1%***	***15.5%***	***8.3%***	***12.2%***	***14.2%***
Operating Profit	**16**	**(11)**	**25**	**41**	**19**	**(19)**	**0**	**41**
ENERGY SERVICES								
Net Sales	**52**	**41**	**52**	**104**	**43**	**86**	**129**	**233**
Recurring EBITDA	**53**	**48**	**38**	**91**	**35**	**87**	**122**	**213**
Operating Profit	**50**	**44**	**36**	**86**	**27**	**82**	**109**	**195**
ACETOW								
Net Sales	**113**	**135**	**113**	**226**	**112**	**129**	**241**	**467**
Recurring EBITDA	**20**	**34**	**17**	**37**	**20**	**27**	**47**	**84**
Rec. EBITDA margin	**17.7%**	***25,2%***	***15.0%***	***16.4%***	***17.9%***	***20.9%***	***19.5%***	***18.0%***
Operating Profit	**13**	**26**	**10**	**23**	**12**	**19**	**31**	**54**
ECO SERVICES								
Net Sales	**57**	**66**	**70**	**127**	**90**	**89**	**179**	**306**
Recurring EBITDA	**13**	**24**	**20**	**33**	**19**	**20**	**39**	**72**
Rec. EBITDA margin	**22.8%**	*36,4%*	***28.6%***	***26.0%***	***21.1%***	***22.5%***	***21.8%***	***23.5%***
Operating Profit	**9**	**20**	**17**	**26**	**16**	**16**	**32**	**58**
CORPORATE & OTHERS								
Sales & intercompany sales eliminations	**64**	**41**	**62**	**126**	**61**	**64**	**125**	**251**
Recurring EBITDA	**(25)**	**(25)**	**(13)**	**(38)**	**(17)**	**(25)**	**(42)**	**(80)**
Operating Profit	**(43)**	**(37)**	**(28)**	**(71)**	**(29)**	**(40)**	**(69)**	**(140)**

* Unaudited ** Reviewed by auditors

CONSOLIDATED INCOME STATEMENTS FOR THE QUARTER ENDED MARCH 31, 2009

(in millions of euros)	Quarter ended March 31,		Year ended December
	2009*	**2008***	**2008**
Net sales	**920**	**1,186**	**4,763**
Other revenue	146	151	550
Cost of sales	(991)	(1,082)	(4,382)
Administrative and selling expenses	(122)	(137)	(482)
Research and development expenditure	(18)	(20)	(73)
Restructuring costs	(20)	(2)	(40)
Other operating income / (expenses)	(6)	(3)	(27)
Operating profit/(loss)	**(91)**	**93**	**309**
Finance income	20	34	138
Finance costs	(70)	(77)	(313)
Foreign exchange gains/(losses)	5	1	(3)
Share of profit/(loss) of associates	-	-	(1)
Profit/(loss) before income tax	**(136)**	**51**	**130**
Income tax benefit/(expense)	8	(11)	(55)
Profit/(loss) from continuing operations	(128)	40	75
Profit/(loss) from discontinued operations	(7)	2	32
Net profit for the period	**(135)**	**42**	**107**
Attributable to:			
Equity holders of Rhodia S.A.	(134)	42	105
Minority interests	(1)	-	2
Earnings per share (in euros)			
Continuing and discontinued operations			
- Basic	(1.35)	0.41	1.05
- Diluted	(1.35)	0.41	1.04
Continuing operations			
- Basic	(1.28)	0.39	0.73
- Diluted	(1.28)	0.38	0.72
Average number of shares before dilution	*99,294,931*	*100,967,329*	*100,722,391*
Average number of shares after dilution	*99,312, 863*	*101,716,285*	*101,493,309*

(*) Unaudited figures

CONSOLIDATED BALANCE SHEETS AS OF MARCH 31, 2009

Assets

(in millions of euros)	**At March 31, 2009***	**At December 31, 2008**
Property, plant and equipment	1,506	1,501
Goodwill	260	197
Other intangible assets	202	181
Investments in associates	13	13
Other non-current financial assets	91	92
Deferred tax assets	185	171
Non-current assets	**2,257**	**2,155**
Inventories	499	666
Income tax receivable	8	12
Trade and other receivables	737	821
Derivative financial instruments	149	148
Other current financial assets	26	28
Cash and cash equivalents	528	492
Assets classified as held for sale	2	2
Current assets	**1,949**	**2,169**
TOTAL ASSETS	**4,206**	**4,324**

(*)Unaudited figures

Equity (deficit) and liabilities

(in millions of euros)	At March 31, 2009*	At December 31, 2008
Share capital	1,213	1,213
Additional paid-in capital	138	138
Other reserves	141	86
Deficit	(2,017)	(1,812)
Equity deficit attributable to equity holders of Rhodia S.A.	***(525)***	***(375)***
Minority interests	18	19
Total equity deficit	***(507)***	**(356)**
Borrowings	1,620	1,612
Retirement benefits and similar obligations	1,226	1,155
Provisions	280	279
Deferred tax liabilities	33	38
Other non-current liabilities	57	33
Non-current liabilities	**3,216**	**3,117**
Borrowings	258	219
Derivative financial instruments	146	123
Retirement benefits and similar obligations	93	93
Provisions	152	137
Income tax payable	19	19
Trade and other payables	829	972
Liabilities associated with assets classified as held for sale	-	-
Current liabilities	**1,497**	**1,563**
TOTAL EQUITY DEFICIT AND LIABILITIES	**4,206**	**4,324**

(*)Unaudited figures

CONSOLIDATED STATEMENTS OF CASH FLOWS AS OF MARCH 31, 2009

(in millions of euros)	For the Quarter ended March 31,		Year ended December 31,
	2009 *	**2008 ***	**2008**
Net profit/(loss) for the period attributable to equity holders of Rhodia S.A.	**(134)**	**42**	**105**
Adjustments for:			
Minority interests	(1)	-	2
Depreciation and impairment of non-current assets	75	74	299
Net increase/(decrease) in provisions and employee benefits	-	(23)	(29)
Impairment of non-current financial assets	-	-	1
Share of profit/(loss) of associates	-	-	1
Other income and expense	9	10	28
Gain/(loss) on disposal of non-current assets	(2)	-	(65)
Deferred tax expense (income)	(18)	(3)	4
Foreign exchange (gains)/losses	41	19	29
Net cash flow from operating activities before changes in working capital	**(30)**	**119**	**375**
Changes in working capital			
• (Increase)/decrease in inventories	193	(64)	(149)
• (Increase)/decrease in trade and other receivables	62	(47)	134
• Increase/(decrease) in trade and other payables	(164)	36	(7)
• Increase/(decrease) in other current assets and liabilities	64	(9)	(34)
Net cash from operating activities before margin calls	**125**	**37**	**319**
Margin calls (1)	7	(9)	-
Net cash from operating activities	**132**	**26**	**319**
Purchases of property, plant and equipment	(46)	(59)	(241)
Purchases of other non-current assets	(6)	(14)	(41)
Proceeds on disposal of non-current assets	(1)	2	209
Purchases of entities, net of cash acquired	(78)	-	-
(Purchases of)/repayments of loans and financial investments	10	5	(9)
Net cash from/(used by) investing activities	**(121)**	**(66)**	**(82)**
Treasury share purchase costs	-	-	(14)
Dividends paid to minority interests	-	-	(27)
New non-current borrowings, net of costs	-	-	23
Repayments of non-current borrowings, net of costs	(16)	(6)	(53)
Net increase/(decrease) in current borrowings	36	92	(58)
Net cash from/(used by) financing activities	**20**	**86**	**(129)**
Effect of foreign exchange rate changes	**5**	**(12)**	**(31)**
Net increase/(decrease) in cash and cash equivalents	**36**	**34**	**77**
Cash and cash equivalents at the beginning of the year	492	415	415
Cash and cash equivalents at the end of the year	528	449	492

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

*** Unaudited**