

Press release

RHODIA STRENGTHENS INNOVATION CAPABILITIES BY INVESTING IN ASTER II VENTURE CAPITAL FUND

Paris, February 23, 2011 ---- Rhodia announces the acquisition of an interest in Aster II, the venture capital fund targeting innovative technology start-ups, launched in 2010 by Schneider Electric and Alstom. This fund, specifically focused on energy, advanced materials and environment sectors, should eventually raise 120 to 150 M€.

This investment is fully aligned with Rhodia's open innovation approach, which aims to reinforce the development of ambitious and growth generating breakthrough projects.

Joining forces in this novel multi-corporate venture capital fund, the three sponsors - Rhodia, Alstom and Schneider Electric - will actively promote the development of young and innovative companies. Their expertise will guarantee the relevance of technologies and markets to receive investment.. Companies in the fund's portfolio will have access to the global network of each of the three partners.

This fund builds on the expertise developed by Aster in the venture capital domain since 2000. Through its first fund, Aster has already contributed to the success of more than 20 start-ups in North America and Europe. Aster's competencies will be strengthened by an expert from Rhodia who will join the team.

"We are delighted that Rhodia is choosing to support Aster II. The technological and sectorial expertise brought by Rhodia complements particularly well the competencies of the two others sponsors, Alstom and Schneider Electric. This partnership fully represents our positioning in clean technologies", commented Jean-Marc Bally, General Partner of Aster Capital.

Executive VP of Rhodia, Pascal Juery, added: *"For Rhodia, growth is our priority and innovation is one of the key levers to deliver on this ambition. Through this open innovation approach, we will be in the vanguard to monitor trends, identify breakthrough technologies and seize market opportunities".*

This transaction is subject to various standard closing conditions, including possible authorizations required by public authorities.

Aster Capital (www.aster.com), headquartered in Paris, was founded in 2000 by Schneider Electric. Aster Capital manages two funds: SEV1, a 50 M€ fund with investments in more than 20 companies and Aster II, initially sponsored by Schneider Electric and Alstom with a first closing at 70 M€. This second fund offers a unique « multicorporate » business model, and will target minority stakes in innovative start-ups located in Europe, North America and Asia and operating in the field of energy, advanced materials and the environment.

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. The Group is structured around 11 Global Business Units (GBUs) within 5 business clusters, 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 14 000 people worldwide and generated sales of €5.23 billion in 2010. Rhodia is listed on Euronext Paris.

For more information, please visit our [website www.rhodia.com](http://www.rhodia.com)

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