



PRESS RELEASE

RHODIA, IBM AND ADP SIGN STRATEGIC AGREEMENT TO OPTIMIZE RHODIA'S HUMAN RESOURCES ORGANIZATION

Paris, November 29, 2006 ---- Rhodia (NYSE:RHA), IBM (NYSE:IBM) and ADP (NYSE:ADP) today signed a 7-year strategic worldwide agreement to optimize Rhodia's Human Resources organization by outsourcing the administrative and support areas of key HR processes.

The partnerships with IBM and with ADP will allow Rhodia to focus on strategic HR issues, while increasing the flexibility of the organization to better manage variations in its business scope and development in fast growing regions. These agreements are expected to reduce costs of the related HR processes by 30%.

IBM will provide Rhodia with support for HR processes such as recruitment, training, compensation and benefits, workforce administration and analysis, as well as specialized technology, including Global Human Resources Information Systems to improve process standardization.

ADP's expertise in personnel administration processes and the global coverage of its operations will allow Rhodia to take advantage of global comprehensive outsourcing payroll services on ADP's GlobalViewSM platform.

The implementation of this innovative approach in Rhodia's operations in Europe, Asia, North and Latin America during 2007 and 2008 is expected to significantly improve Rhodia's HR processes and will represent a new stage in the Group's strategy of optimizing the costs of its support functions.

"Partnering with IBM and with ADP will be a major driver in building a leaner, faster and more strategic human resources organization," said Bernard Chambon, Rhodia's Group Executive Vice President, Human Resources, Communications and Sustainable Development. *"Our HR teams will thus be able to concentrate on key tasks such as change management, competency and career development and social relations, and to support the growth of our businesses."*

Simon Free, Vice President, Managed Business Process Services IBM France and North West Africa, added: *"Rhodia is a global company, headquartered in France, and the agreement with IBM for business transformation allows them to become more flexible and adaptive while focusing employees on the company's core competencies. IBM's extensive experience in human resources services and the chemical industry will bring innovation and new efficiencies to Rhodia and its employees."*

"We're pleased to help Rhodia uphold its commitment to delivering quality services to all of its employees worldwide," said George Stoeckert, President of the Employer Services International Division of Automatic Data Processing, Inc. *"Rhodia's selection of ADP underscores the momentum of our global offering. It also demonstrates the confidence companies are placing in GlobalView as the global outsourcing service of choice for multinational corporations that want to ensure consistent service and regulatory compliance worldwide."*

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Rhodia is a global specialty chemicals company recognized for its strong technology positions in Performance Materials, Functional Chemicals and the Organics and Services clusters. Partnering with major players in the automotive, electronics, pharmaceuticals, agrochemicals, consumer care, tires, and paints and coatings markets, Rhodia offers tailor-made solutions combining original molecules and technologies to respond to customers' needs. Rhodia subscribes to the principles of Sustainable Development communicating its commitments and performance openly with stakeholders. Rhodia generated sales of €5 billion in 2005 and employs around 19,500 people worldwide. Rhodia is listed on Euronext Paris and the New York Stock Exchange. For more information, please visit our global website at www.rhodia.com

IBM - For more information, visit www.ibm.com/services

ADP

Automatic Data Processing, Inc. (NYSE: [ADP](http://www.adp.com)), with nearly \$9 billion in revenues and more than 570,000 clients worldwide, is one of the largest providers of a broad range of premier, mission-critical, cost-effective transaction processing and information-based business solutions. Employer Services (ES), a division of ADP, offers the widest range of HR, payroll, and benefits administration solutions from a single source, to meet the extensive business needs of employers worldwide. Built with more than 50 years of industry experience, ADP ES' cost-effective, easy-to-use solutions provide superior value to companies of all sizes. Approximately 540,000 companies rely on ADP ES for unparalleled service and compliance expertise, allowing them to focus on other core activities. For more information about ADP ES or to contact a local ADP sales office, reach us at 1.800.225.5237 or visit the company's Web site at www.ADP.com.

ADP Employer Services International, part of the Employer Services division, offers GlobalView in more than 30 countries worldwide, expanding to 50 countries by 2008. More than 50 multinational companies representing more than 460,000 employees globally have selected GlobalView for human resource outsourcing service worldwide. For more information about GlobalView, please visit www.globalview.adp.com.

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