

Fuwei Films (Holdings), Co. Ltd.  
Form 6-K  
August 16, 2010

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER  
PURSUANT TO RULE 13a-16 OR 15d-16 UNDER  
THE SECURITIES EXCHANGE ACT OF 1934

For June 30, 2010

Commission File No. 001-33176

Fuwei Films (Holdings) Co., Ltd.

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No. 387 Dongming Road  
Weifang Shandong  
People's Republic of China, Postal Code: 261061

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(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES.)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.  
Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.  
Yes  No

If "Yes" marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b):  
82-\_\_\_\_\_

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## EXPLANATORY NOTE

This Report of Foreign Private Issuer on Form 6-K (this “Form 6-K”) contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934. These statements relate to future events or the future financial performance of Fuwei Films (Holdings) Co., Ltd. (the “Company”). The Company has attempted to identify forward-looking statements by terminology, including, but not limited to, “anticipates”, “believes”, “expects”, “can”, “continue”, “could”, “estimates”, “intends”, “may”, “plans”, “potential”, “should” or “will” or the negative of these terms or other comparable terminology.

The forward-looking statements included in this Form 6-K are subject to risks, uncertainties and assumptions about the Company’s businesses and business environments. These statements reflect the Company’s current views with respect to future events and are not a guarantee of future results, operations, levels of activity, performance or achievements. Actual results of the Company’s results, operations, levels of activity, performance or achievements may differ materially from information contained in the forward-looking statements as a result of risk factors. They include, among other things, competition in the BOPET film industry; growth of, and risks inherent in, the BOPET film industry in China; changes in the international market; the increase of the price of energy (mainly power) and the sometimes inadequate energy supply in the area where our wholly owned subsidiary, Fuwei Films (Shandong) Co., Ltd. (“Fuwei Shandong”) is located, which may result in the increase of production cost, decrease of sales, and negatively influence the Company’s financial performance; uncertainty of various kinds of international barriers; uncertainty as to future profitability and its ability to obtain adequate financing for its planned capital expenditure requirements; uncertainty as to the Company’s ability to successfully obtain financing and consequently continue the operation of the third BOPET production line, the construction of which has already commenced; uncertainty as to the Company’s ability to continuously develop new BOPET film products and keep up with changes in BOPET film technology; instability of power and energy supply; risks associated with possible defects and errors in its products; uncertainty as to its ability to protect and enforce its intellectual property rights; uncertainty as to its ability to attract and retain qualified executives and personnel; and uncertainty in acquiring raw materials on time and on acceptable terms, particularly in light of the volatility in the prices of petroleum products in recent years and the potential impact resulting from the pending criminal litigation and related developments to the major shareholders; uncertainty in the adverse effect resulting from the pending shareholders class action suit filed in the United States District Court for the Southern District of New York. The Company’s expectations are as of the date this Form 6-K is filed, and the Company does not intend to update any of the forward-looking statements after the date this Report on Form 6-K is filed to confirm these statements to actual results, unless required by law.

FUWEI FILMS (HOLDINGS) CO., LTD. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED BALANCE SHEETS  
AS OF JUNE 30, 2010 AND DECEMBER 31, 2009  
(amounts in thousands except share and per share value)  
(Unaudited)

	Notes	June 30, 2010 RMB	US\$	December 31, 2009 RMB
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents		50,615	7,464	26,804
Restricted cash		500	74	12,541
Accounts and bills receivable, net	3	37,289	5,499	28,785
Inventories	4	39,357	5,804	45,039
Advance to suppliers		6,626	977	3,956
Prepayments and other receivables		829	122	957
Deferred tax assets - current		1,198	177	1,198
Total current assets		136,414	20,117	119,282
Plant, properties and equipment, net				
Plant, properties and equipment, net	5	301,710	44,490	318,600
Construction in progress	6	236,004	34,801	237,118
Lease prepayments, net	7	21,286	3,139	21,548
Advanced to suppliers - Long Term		1,457	215	2,367
Goodwill		10,276	1,515	10,276
Deposit	8	21,000	3,097	21,000
Deferred tax assets - non current		5,341	788	5,318
Total assets		733,488	108,162	735,509
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
Current liabilities				
Short-term borrowings	9	137,000	20,202	153,179
Accounts payables		21,750	3,207	25,898
Advance from customers		13,220	1,949	12,608
Accrued expenses and other payables		14,463	2,135	6,981
		186,433	27,493	198,666
Long-term loan	9	35,000	5,161	25,000
Total liabilities		221,433	32,654	223,666
Commitments and contingencies	13			
Equity				
Shareholders' equity				
Registered capital(of US\$0.129752 par value; 20,000,000 shares authorized; 13,062,500 issued and outstanding)		13,323	1,965	13,323

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Additional paid-in capital	311,907	45,994	311,907
Statutory reserve	29,338	4,326	29,338
Retained earnings	156,303	23,048	156,006
Cumulative translation adjustment	977	144	993
Total shareholders' equity	511,849	75,477	511,567
Non-controlling interest	207	31	276
Total equity	512,056	75,508	511,843
Total liabilities and equity	733,488	108,162	735,509

The accompanying notes are an integral part of these unaudited condensed consolidated statements.

FUWEI FILMS (HOLDINGS) CO., LTD. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND OTHER COMPREHENSIVE INCOME  
FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2010 AND 2009  
(amounts in thousands except share and per share value)  
(UNAUDITED)

	The Three Month			The Six Month		
	Period Ended June 30, 2010		Period Ended	Period Ended June 30, 2010		Period Ended
	RMB	US\$	June 30, 2009	RMB	US\$	June 30, 2009
Net sales	110,319	16,268	72,571	198,774	29,311	147,088
Cost of sales	(90,648)	(13,367)	(66,297)	(166,337)	(24,528)	(140,741)
Gross profit	19,670	2,901	6,274	32,437	4,783	6,347
Operating expenses						
Selling expenses	(4,159)	(613)	(2,734)	(7,555)	(1,114)	(7,631)
Administrative expenses	(12,896)	(1,902)	(4,609)	(20,425)	(3,012)	(16,071)
Total operating expenses	(17,055)	(2,515)	(7,343)	(27,980)	(4,126)	(23,702)
Operating income/(loss)	2,615	386	(1,069)	4,457	657	(17,355)
Other income/(expense)						
- Interest income	157	23	41	171	25	143
- Interest expense	(2,669)	(394)	(4,119)	(4,287)	(632)	(4,119)
- Others income, net	(180)	(27)	(3,437)	(136)	(20)	(3,882)
Total other income/(expense)	(2,692)	(397)	(7,515)	(4,251)	(627)	(7,858)
Income/ (loss) before income tax benefit/(expense)	(77)	(11)	(8,584)	205	30	(25,213)
Income tax benefit/(expense)	42	6	1,210	23	3	3,704
Net income/(loss)	(35)	(5.2)	(7,374)	228	34	(21,510)
Net income/(loss) attributable to non-controlling interests	(33)	(4.8)	-	(69)	(10)	-
Net income/(loss) attributable to the Company	(3)	(0.4)	(7,374)	297	44	(21,510)
Other comprehensive income						

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- Foreign currency translation adjustments	-	-	(416)	(16)	(2)	(428)
Comprehensive income/ (loss)	(3)	(0.4)	(7,790)	281	41	(21,937)
Earnings/ (loss) per share, Basic and diluted	(0.0002)	(0.00003)	(0.56)	0.02	0.003	(1.65)
Weighted average number ordinary shares, Basic and diluted	13,062,500	13,062,500	13,062,500	13,062,500	13,062,500	13,062,500

The accompanying notes are an integral part of these unaudited condensed consolidated statements.

FUWEI FILMS (HOLDINGS) CO., LTD. AND SUBSIDIARIES  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE SIX MONTH PERIODS ENDED JUNE 30, 2010 AND 2009  
(amounts in thousands except share and per share value)  
(UNAUDITED)

	The Six Month Period Ended June 30, 2010		The Six Month Period Ended June 30, 2009
	RMB	US\$	RMB
<b>Cash flow from operating activities</b>			
Net income	228	34	(21,510)
Adjustments to reconcile net income to net cash (used in)/provided by operating activities			
- Depreciation of property, plant and equipment	18,158	2,678	16,048
- Amortization of intangible assets	227	33	227
- Deferred income taxes	(23)	(3)	(3,320)
- Bad debt expense/(recovery)	(2)	(0.2)	5,945
- Accounts receivable	(8,502)	(1,254)	13,948
- Inventories	5,682	838	1,567
- Advance to suppliers	(2,670)	(394)	2,504
- Prepaid expenses and other current assets	87	13	(5,842)
- Accounts payable	(4,147)	(611)	2,637
- Accrued expenses and other payables	5,922	899	(247)
- Advance from customers	613	90	3,383
- Tax payable	1,610	237	(3,042)
<b>Net cash provided by operating activities</b>	<b>17,184</b>	<b>2,560</b>	<b>12,298</b>
<b>Cash flow from investing activities</b>			
Purchases of property, plant and equipment	(1,234)	(182)	(88,458)
Restricted cash related to trade finance	12,041	1,776	(644)
Advanced to suppliers - non current	910	134	-
Addition to construction in progress	1,114	164	78,953
<b>Net cash used in investing activities</b>	<b>12,832</b>	<b>1,892</b>	<b>(10,149)</b>
<b>Cash flow from financing activities</b>			
Principal payments of short-term bank loans	(16,179)	(2,386)	(11,585)
Proceeds from short-term bank loans	10,000	1,475	10,000
<b>Net cash (used in)/provided by financing activities</b>	<b>(6,179)</b>	<b>(911)</b>	<b>(1,585)</b>
Effect of foreign exchange rate changes	(26)	(3)	(431)
<b>Net increase (decrease) in cash and cash equivalent</b>	<b>23,810</b>	<b>3,538</b>	<b>134</b>
<b>Cash and cash equivalent</b>			
At beginning of period	26,804	3,926	15,823

At end of period	50,615	7,464	15,957
<b>SUPPLEMENTARY DISCLOSURE:</b>			
Interest paid	4,441	655	3,901
Income tax paid	-	-	-

The accompanying notes are an integral part of these unaudited condensed consolidated statements.



FUWEI FILMS (HOLDINGS) CO., LTD. AND SUBSIDIARIES  
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(amounts in thousands except share and per share value)

NOTE 1 - BACKGROUND

Fuwei Films (Holdings) Co., Ltd. (the “Company”) and its subsidiaries (the “Group”) are principally engaged in the production and distribution of BOPET film, a high quality plastic film widely used in packaging, imaging, electronics, electrical and magnetic products in the People’s Republic of China (the “PRC”). The Company is a holding company incorporated in the Cayman Islands, established on August 9, 2004 under the Cayman Islands Companies Law as an exempted company with limited liability. The Company was established for the purpose of acquiring shares in Fuwei Films (BVI) Co., Ltd. (“Fuwei (BVI)”), an intermediate holding company established for the purpose of acquiring all of the ownership interest in Fuwei Films (Shandong) Co., Ltd. (“Shandong Fuwei”).

On August 20, 2004, the Company was allotted and issued one ordinary share of US\$1.00 in Fuwei (BVI) (being the entire issued share capital of Fuwei (BVI)), thereby establishing Fuwei (BVI) as the intermediate investment holding company of the Group.

The Group was established by certain members of the former management team and employees (the “Group Founders”) of Shandong Neo-Luck Plastics Co., Ltd (“Shandong Neo-Luck”), a company owned 59% by a PRC state-owned enterprise. Prior to filing for bankruptcy protection on September 24, 2004, Shandong Neo-Luck was engaged in the business of BOPET film production. Certain production-related assets of Shandong Neo-Luck, which had previously been mortgaged to the Bank of China, Weifang City branch (the “Mortgagee Bank”) as security for several loans extended to Shandong Neo-Luck’s affiliates, were acquired through public auction by Shandong Fuwei on October 9, 2003 for RMB156,000 as a result of the borrower’s default on various bank loans. Shandong Fuwei, established in the PRC on January 28, 2003 as a limited liability company, commenced its operations in July 2003. The principal activities of Shandong Fuwei are those relating to the design, production and distribution of plastic films. Shandong Neo-Luck was subsequently declared bankrupt by the Weifang Municipal People’s Court in the PRC on September 24, 2004.

Through its intermediate holding company, Fuwei (BVI), the Company acquired a 100% ownership interest in Shandong Fuwei on October 27, 2004 for a purchase price of RMB91,093. Shandong Fuwei thereafter became a wholly-owned subsidiary of Fuwei (BVI) effective October 27, 2004. On December 25, 2004, Shandong Fuwei acquired additional production-related assets that were formerly owned by Shandong Neo-Luck for RMB119,280 through a public auction. Shandong Fuwei converted into a wholly-foreign owned enterprise in the PRC on January 5, 2005, with a registered capital of US\$11,000 which increased to US\$42,700 on December 31, 2006.

On April 23, 2009, Fuwei Films USA, LLC was set up in South Carolina and co-invested by Fuwei Films (Holdings) Co., Ltd. and Newell Finance Management Co., Ltd. Fuwei Films USA, LLC has a registered capital of US\$10 and total investment amount of US\$100. Fuwei Films (Holdings) Co., Ltd. and Newell Finance Management Co., Ltd. account own 60% and 40% of the total shares of Fuwei Films USA, LLC, respectively.

FUWEI FILMS (HOLDINGS) CO., LTD. AND SUBSIDIARIES  
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(amounts in thousands except share and per share value)

NOTE 2 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unaudited Interim Financial Information

The accompanying unaudited consolidated financial statements have been prepared by the Company, pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC") as applicable to smaller reporting companies, and generally accepted accounting principles for interim financial reporting. The information furnished herein reflects all adjustments (consisting of normal recurring accruals and adjustments) which are, in the opinion of management, necessary to fairly present the operating results for the respective periods. Certain information and footnote disclosures normally presented in annual consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") have been omitted pursuant to such rules and regulations. These unaudited condensed consolidated financial statements for the period ended June 30, 2010 should be read in conjunction with the audited consolidated financial statements and footnotes included in the Company's Annual Report on Form 20-F for the year ended December 31, 2009. The results of the six month period ended June 30, 2010 are not necessarily indicative of the results to be expected for the full year ending December 31, 2010.

Principles of Consolidation

The condensed consolidated financial statements include the financial statements of the Company and its three subsidiaries. All significant inter-company balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of the consolidated financial statements in accordance with U.S. GAAP requires management of the Group to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. On an ongoing basis, management reviews its estimates and assumptions, including those related to the recoverability of the carrying amount and the estimated useful lives of long-lived assets, valuation allowances for accounts receivable and realizable values for inventories. Changes in facts and circumstances may result in revised estimates.

Foreign Currency Transactions

The Group's reporting currency is the Renminbi ("RMB").

The Company and Fuwei (BVI) operate in Hong Kong as investment holding companies and their financial records are maintained in Hong Kong dollars, being the functional currency of these two entities. Fuwei Films USA, LLC, the wholly owned subsidiary of the Company, has its records are maintained in US dollars. Assets and liabilities are translated into RMB at the exchange rates at the balance sheet date, equity accounts are translated at historical exchange rates and income, expenses, and cash flow items are translated using the average rate for the period. The translation adjustments are recorded in accumulated other comprehensive income in the statements of shareholders' equity and comprehensive income.



FUWEI FILMS (HOLDINGS) CO., LTD. AND SUBSIDIARIES  
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(amounts in thousands except share and per share value)

NOTE 2 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(continued)

Transactions denominated in currencies other than RMB are translated into RMB at the exchange rates quoted by the People's Bank of China (the "PBOC") prevailing at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies are translated into RMB using the applicable exchange rates quoted by the PBOC at the balance sheet dates. The resulting exchange differences are recorded in the statements of income.

RMB is not fully convertible into foreign currencies. All foreign exchange transactions involving RMB must take place either through the PBOC or other institutions authorized to buy and sell foreign currency. The exchange rate adopted for the foreign exchange transactions are the rates of exchange quoted by the PBOC which are determined largely by supply and demand.

Exchange Rate Information

Foreign Currency - The Company's principal country of operations is in the People's Republic of China. The financial position and results of operations of the Company are determined using the local currency ("Renminbi") as the functional currency. The results of operations denominated in foreign currency are translated at the average rate of exchange during the reporting period.

Unless otherwise noted, all translations from Renminbi to U.S. dollars in reporting of assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the market rate of exchange prevailing on that date. The registered equity capital denominated in the functional currency is translated at the historical rate of exchange at the time of capital contribution. All translation adjustments resulting from the translation of the financial statements into the reporting currency ("US Dollars") are dealt with as a separate component within shareholders' equity. We make no representation that any Renminbi or U.S. dollar amounts could have been, or could be, converted into U.S. dollars or Renminbi, as the case may be, at any particular rate, the rates stated above, or at all.

Cash and Cash Equivalents and Restricted Cash

For statements of cash flow purposes, the Company considers all cash on hand and in banks, including accounts in book overdraft positions, certificates of deposit and other highly-liquid investments with maturities of three months or less, when purchased, to be cash and cash equivalents.

Restricted cash refers to the cash balance held by bank as deposit for Letters of Credit. The Company has restricted cash of RMB500 (US\$74) and RMB12,541(US\$1,837) as of June 30, 2010 and December 31, 2009, respectively.

FUWEI FILMS (HOLDINGS) CO., LTD. AND SUBSIDIARIES  
 NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
 (amounts in thousands except share and per share value)

NOTE 2 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
 (continued)

Trade Accounts Receivable

Trade accounts receivable are recorded at the invoiced amount after deduction of trade discounts, if any, and do not bear interest. The allowance for doubtful accounts is the Group's best estimate of the amount of probable credit losses in the Group's existing accounts receivable. The Group determines the allowance based on historical write-off experience, customer specific facts and economic conditions.

The Group reviews its allowance for doubtful accounts monthly. Past due balances over 90 days and over a specified amount are reviewed individually for collectability. All other balances are reviewed on a pooled basis by aging of such balances. Account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. The Group does not have any off-balance-sheet credit exposure related to its customers.

The Group has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. These receivables are due within 7 to 60 days from the date of billing. Normally, the Group does not obtain collateral from customers.

Inventories

Inventories are stated at the lower of cost or market value. Cost is determined using the average-weighted cost method. Cost of work in progress and finished goods comprises of direct material, direct production cost and an allocated portion of production overheads based on normal operating capacity.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment. Depreciation on property, plant and equipment is calculated on the straight-line method (after taking into account their respective estimated residual values) over the estimated useful lives of the assets. There are as follows:

	Years
Buildings and improvements	25 - 30
Plant and equipment	10 - 15
Computer equipment	5
Furniture and fixtures	5
Motor vehicles	5

Depreciation of property, plant and equipment attributable to manufacturing activities is capitalized as part of the inventory, and expensed to cost of goods sold when inventory is sold. Depreciation related to abnormal amounts from idle capacity is charged to cost of goods sold for the period incurred.



FUWEI FILMS (HOLDINGS) CO., LTD. AND SUBSIDIARIES  
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
(amounts in thousands except share and per share value)

NOTE 2 - BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES  
(continued)

Construction in progress represents capital expenditures in respect of the third BOPET production line. No depreciation is provided in respect of construction in progress.

Lease Prepayments

Lease prepayments represent the costs of land use rights in the PRC. Land use rights are carried at cost and charged to expense on a straight-line basis over the respective periods of rights of 30 years. The current portion of lease prepayments has been included in prepayments and other receivables in the balance sheet.

Goodwill

Goodwill represents the excess of purchase price and related costs over the value assigned to the net tangible and identifiable intangible assets of businesses acquired. Goodwill is not amortized but is tested for impairment annually, or when circumstances indicate a possible impairment may exist. Impairment testing is performed at a reporting unit level. An impairment loss generally would be recognized when the carrying amount of the reporting unit exceeds the fair value of the reporting unit, with the fair value of the reporting unit determined using a discounted cash flow (DCF) analysis. A number of significant assumptions and estimates are involved in the application of the DCF analysis to forecast operating cash flows, including the discount rate, the internal rate of return, and projections of realizations and costs to produce. Management considers historical experience and all available information at the time the fair values of its reporting units are estimated.

Impairment of Long-lived Assets