

SOLARFUN POWER HOLDINGS CO., LTD.

FORM 6-K (Report of Foreign Issuer)

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Securities and Exchange Commission
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN ISSUER

Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

For the month of August, 2007

Commission File Number 1-33208

SOLARFUN POWER HOLDINGS CO., LTD

666 Linyang Road
Qidong, Jiangsu Province 226200
People's Republic of China
(Address of Principal Executive Offices)

(Indicate by check mark whether the registrant files or will file annual reports under cover of 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).)

Yes ☐ No ☒

(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).)

Yes ☐ No ☒

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

Solarfun Power Holdings Co., Ltd. (the "Registrant") is furnishing under the cover of Form 6-K:

99.1 Press release, dated August 20, 2007, regarding Solarfun Reports Second Quarter 2007 Results

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SOLARFUN POWER HOLDINGS CO., LTD

By: /s/ Mr. Yonghua Lu

Name: Mr. Yonghua Lu

Title: Chairman and CEO

Date: August 20, 2007

Solarfun Reports Second Quarter 2007 Results

SHANGHAI, China--(BUSINESS WIRE)--Aug. 20, 2007--Solarfun Power Holdings Co., Ltd. ("Solarfun" or "the Company") (NASDAQ:SOLF), an established manufacturer of both photovoltaic (PV) cells and modules in China, today reported its unaudited financial results for the quarter ended June 30, 2007.

Second Quarter 2007:

-- Net revenue for the second quarter of 2007 was RMB 462.8 million (US\$ 60.8 million), compared to RMB 101.0 million (US\$ 13.3 million) for the second quarter of 2006, and RMB 190.7 million (US\$ 25.1 million) for the first quarter of 2007.

-- Gross profit for the second quarter of 2007 was RMB 70.0 million (US\$ 9.2 million), compared to RMB 31.1 million (US\$ 4.1 million) for the second quarter of 2006, and RMB 32.8 million (US\$ 4.3 million) in the first quarter of 2007.

-- Net income attributable to ordinary shareholders for the second quarter of 2007 was RMB 19.4 million (US\$ 2.5 million), compared to net income attributable to ordinary shareholders of RMB 15.5 million (US\$ 2.0 million) for the second quarter of 2006, and a net loss attributable to ordinary shareholders of RMB 2.5 million (US\$ 0.3 million) for the first quarter of 2007.

-- Earnings per basic ADS were RMB 0.403 (US\$ 0.053 per basic ADS) in the second quarter of 2007.

-- PV module shipments totaled 16.4 MW, representing a significant increase from 5.6 MW in the second quarter of 2006 and 6.5 MW in the first quarter of 2007.

"We had a successful second quarter and a significant turnaround from the start of the year," commented Mr. Yonghua Lu, Chairman and CEO of Solarfun. "During the quarter, we shipped 16.4 MW of PV modules, which is over two and a half times our first quarter 2007 volume, and we made considerable progress in increasing the number and quality of our customers and in broadening our geographic reach. Our results already demonstrate the contribution of several important additions to our management team at the beginning of the quarter as they were able to sign a number of significant new quality contracts on both the sales and procurement sides. We are also extremely pleased about our recently announced acquisition of a majority stake in Jiangsu Yangguang Solar Technology. This company will add an important component of the supply chain at the wafer manufacturing level and helps us both secure key wafer supply and extend our reach up the value chain in the PV business. We continue to work towards our goal of becoming a premier global manufacturer of photovoltaic cells and modules and I believe our progress in this quarter should help us achieve strong operating results in the second half of the year."

Second Quarter 2007 Financial Results

Solarfun's total net revenue for the second quarter of 2007 increased 358.2% to RMB 462.8 million (US\$ 60.8 million) from RMB 101.0 million in the second quarter of 2006, and increased 142.6% from RMB 190.7 million in the first quarter of 2007. The sequential increase was primarily due to an increase in shipments and was partially offset by a decline in the average selling price ("ASP") from the first quarter of 2007. Total PV module shipments were 16.4 MW in the second quarter of 2007, which was significantly higher than the 6.5 MW in the first quarter of 2007 and 5.6 MW in the second quarter of 2006. ASP declined mildly to US\$ 3.68 per watt in the second quarter of 2007. During the second quarter, Solarfun derived almost all of its total net revenue from the sale of PV modules.

Gross profit for the second quarter of 2007 was RMB 70.0 million (US\$ 9.2 million), representing an increase of 125.0% from RMB 31.1 million in the second quarter of 2006 and an increase of 113.4% from RMB 32.8 million in the first quarter of 2007. The gross margin decreased to 15.1% from 30.8% in the second quarter of 2006 and 17.2% in the first quarter of 2007. The decrease was primarily attributable to the decrease in ASP in the second quarter of 2007.

Income from operations for the second quarter of 2007 was RMB 27.6 million (US\$ 3.6 million), or 6.0% of total net revenue, compared to RMB 4.3 million, or 2.2% of total net revenues in the first quarter of 2007, and RMB 16.0 million, or 15.8% of total net revenues in the second quarter of 2006. The year-over-year decrease in operating margin was mainly due to the decrease in gross margin and an increase in operating costs as a result of the expansion of the Company's international sales and R&D capabilities in support of the growth of the business.

Share-based compensation expenses for the second quarter of 2007 totaled RMB 6.2 million (US\$ 0.8 million), compared to RMB 8.4 million in the first quarter of 2007 and RMB 10.3 million in the second quarter of 2006.

Net income attributable to ordinary shareholders for the second quarter of 2007 was RMB 19.4 million (US\$ 2.5 million), representing an increase of 24.4% from net income attributable to ordinary shareholders of RMB 15.5 million in the second quarter of 2006 and a substantial turn-around from the net loss attributable to ordinary shareholders of RMB 2.5 million in the first quarter of 2007.

Earnings per basic ADS for the second quarter of 2007 were RMB 0.403, or US\$ 0.053 per ADS.

Financial Position

As of June 30, 2007, the Company had cash and cash equivalents of RMB 447.9 million (US\$ 58.8 million) and working capital of RMB 1,317.0 million (US\$ 173.0 million). Total bank borrowings were RMB 223.0 million (US\$ 29.3 million), of which RMB 7.0 (US\$ 0.9 million) were long-term bank borrowings. Net accounts receivable increased to RMB 360.3 million (US\$ 47.3 million) as of June 30, 2007 from RMB 238.0 million as of March 31, 2007. The increase was mainly due to additional sales on credit in the second quarter of 2007.

Recent Events

PV Module Sales Update

Since the end of the second quarter, Solarfun has signed a series of contracts with a broad mix of customers in Italy, Germany and Spain. The Company currently has now signed enough contracts to meet its current full-year shipment guidance as set forth below.

Completion of PV Cell Lines 5 & 6

Solarfun successfully completed PV cell lines 5 and 6 on schedule in July and both are now fully operational, which keeps the Company on schedule to achieve the capacity target of 240 MW by the end of 2007.

New Procurement Contracts

In July 2007, Solarfun entered a seven year contract for over 180 MW of 6-inch multicrystalline wafers from a non-domestic supplier.

Deliveries begin in 2007 and the Company expects to benefit both in terms of quality and a reduction in cost over time.

In August 2007, the Company amended its original 10 MW 5-inch multicrystalline wafer supply contract with LDK to a seven-month 37 MW 6-inch multicrystalline wafer supply contract. The contract became effective immediately upon signing and is expected to be fulfilled by February 2008.

TUV Certification

Solarfun received TUV certification for its 6-inch multicrystalline module in July. The certification will allow the Company to expand into its target markets. The timing also coincides with the new 6-inch wafer supply that the Company has been able to secure from the non-domestic supplier mentioned above.

Strategic Investment in Yangguang Solar

At the start of August, Solarfun successfully acquired a 52% majority stake in Jiangsu Yangguang Solar Technology Co. Ltd. ("Yangguang Solar"), a wafer production company, for approximately US\$8 million.

Production of ingots at Yangguang Solar started in August 2007 and Solarfun has already secured polysilicon supply from one major polysilicon manufacturer that will help with the ramp-up of this production facility.

Changes in Management

We are pleased to announce two new members of our management team.

Mr. Haiyang Yuan joined Solarfun on August 1, 2007, as the Senior Vice President of Sales and brings extensive experience in the global semiconductor and electronics business. He will focus on developing markets in both North and South America. Mr. Yuan joined Solarfun from Smith & Associates, one of the world's leading independent semiconductor and electronic component distributors, where he was Vice President of Operations. Prior to Smith & Associates, he served as General Manager at Solectron Corporation, a provider of electronic manufacturing services to global clients, in Suzhou, China. Prior to that, he was a business unit manager for Jabil Circuit Inc.

Mr. Paul W. Combs joined Solarfun on August 1, 2007 as Vice President of Strategic Planning. In addition to helping develop and implement Solarfun's strategic direction, he will also lead Solarfun's investor relations program. Before joining Solarfun, Mr. Combs spent over thirty years on Wall Street focusing primarily on emerging growth companies. Most recently he served as Chief Investment Officer for ThinkEquity Partners. He led research departments at ThinkEquity and Stephens Inc and prior to that was a growth analyst at William Blair and Morgan Stanley.

Mr. Combs's long career focusing on small growth companies and the senior level management positions he held at several brokerage firms should be highly beneficial for the Company's strategic direction and investor communications.

As previously communicated, now that these new members of management have been added, Xihong Deng will step down from her position as Executive Vice President in charge of international business development. She will return to her position as Managing Director of Hony Capital, but will remain on Solarfun's Board.

Mr. Min Cao also resigned from his position as Vice President in Charge of Investment. No replacement will be named.

Business Outlook for 2007

Based on current operating and other conditions, Solarfun reaffirms its annual guidance for the full 2007 fiscal year as follows:

- Net revenue of US\$250 million to US\$270 million, representing year-over-year growth of 209% to 234%.
- PV product shipments of 70 to 80 MW, representing year-over-year growth of 210% to 254%.
- Annualized total PV cell production capacity of 240 MW by the end of 2007.

Conference Call

Management will host a conference call to discuss the results at 8:00 am U.S. Eastern Time (8:00 pm Shanghai time) on Monday, August 20, 2007.

Mr. Yonghua Lu, Chairman and Chief Executive Officer, Mr. Kevin Wei, Chief Financial Officer, and Paul Combs, Vice President of Strategic Planning, will discuss the results and take questions following the prepared remarks.

The dial-in details for the live conference call are as follows:

- U.S. Toll Free Number 1-866-206-7204
- International dial-in number 1-703-639-1114 Passcode: Solarfun Call.

A live webcast of the conference call will be available on the investor relations section of the Company's website at: <http://www.solarfun.com.cn>. A replay of the webcast will be available for one month.

SOLARFUN POWER HOLDINGS CO., LTD. CONSOLIDATED STATEMENTS OF OPERATIONS

(Amounts in thousands of Renminbi ("RMB") and U.S. dollars ("US\$"), except for number of shares and per share data)

	For the three months ended			
	June 30, 2006 (RMB) (Unaudited)	March 31, 2007 (RMB) (Unaudited)	June 30, 2007 (RMB) (Unaudited)	June 30, 2007 (US\$) (Unaudited)
Net revenue:				
Photovoltaic modules	85,769	190,475	462,283	60,731
Photovoltaic cells	5,025	266	501	66
Photovoltaic cell processing	10,216	-	-	-
Total net revenue	101,010	190,741	462,784	60,797
Cost of revenue:				
Photovoltaic modules	(63,081)	(157,700)	(392,208)	(51,525)
Photovoltaic cells	(4,040)	(225)	(559)	(74)
Photovoltaic cell processing	(2,773)	-	-	-
Total cost of revenue	(69,894)	(157,925)	(392,767)	(51,599)
Gross profit	31,116	32,816	70,017	9,198

Operating expenses:				
Selling expenses	(1,536)	(6,438)	(12,964)	(1,703)
General and administrative expenses	(12,782)	(15,892)	(19,969)	(2,623)
Research and development expenses	(820)	(6,224)	(9,433)	(1,239)
	-----	-----	-----	-----
Total operating expenses	(15,138)	(28,554)	(42,366)	(5,565)
	-----	-----	-----	-----
Operating profit	15,978	4,262	27,651	3,633
Interest expenses	(1,417)	(5,308)	(2,694)	(354)
Interest income	72	9,557	4,159	546
Exchange losses	112	(11,253)	(10,371)	(1,362)
Other income	701	1,050	2,201	289
Other expenses	(265)	(331)	(351)	(46)
Changes in fair value of embedded foreign currency derivative	68	-	-	-
Government grant	100	20	-	-
	-----	-----	-----	-----
Income/(Loss) before income taxes and minority interest	15,349	(2,003)	20,595	2,706
Income tax benefit	150	(424)	(1,259)	(165)
Minority interest	53	(105)	18	2
	-----	-----	-----	-----
Net income/(loss)	15,552	(2,532)	19,354	2,543
	=====	=====	=====	=====
Net income/(loss) attributable to ordinary shareholders	15,552	(2,532)	19,354	2,543
	=====	=====	=====	=====
Net income/(loss) per share:				
Basic	0.155	(0.011)	0.081	0.011
Diluted	0.151	(0.011)	0.081	0.011
Shares used in computation:				
Basic net income per share	100,350,000	240,023,776	240,024,754	
Diluted net income per share	103,299,738	240,023,776	240,024,754	
Net income/(loss) per ADS:				
Basic	0.775	(0.053)	0.403	0.053
Diluted	0.753	(0.053)	0.403	0.053
Shares used in computation:				
Basic net income per ADS	20,070,000	48,004,755	48,004,951	
Diluted net income per ADS	20,659,948	48,004,755	48,004,951	
Share-based compensation expense included in				
Cost of revenue	-	366	361	47
Selling expenses	-	57	57	7
General and administrative expenses	10,337	6,477	4,223	555
Research and development expenses	-	1,544	1,522	200

SOLARFUN POWER HOLDINGS CO., LTD.
CONSOLIDATED BALANCE SHEETS

(Amounts in thousands of Renminbi ("RMB") and U.S. dollars ("US\$"), except for number of shares and per share data)

	March 31 2007 (RMB) (Unaudited)	June 30 2007 (RMB) (Unaudited)	June 30 2007 (US\$) (Unaudited)
Assets			
Current assets:			
Cash and cash equivalents	757,831	447,940	58,847
Restricted cash	11,282	24,352	3,199
Accounts receivable, net	237,961	360,343	47,339
Inventories	482,860	411,363	54,042
Advance to suppliers	281,411	397,394	52,206
Other current assets	101,280	86,459	11,358
Deferred tax assets	3,868	3,891	511
	-----	-----	-----
Total current assets	1,876,493	1,731,742	227,502
Non-current assets:			
Fixed assets - net	280,033	397,811	52,261
Intangible assets - net	12,859	12,766	1,677
Long-term investment	300	300	39
	-----	-----	-----
Total non-current assets	293,192	410,877	53,977
	-----	-----	-----
Total assets	2,169,685	2,142,619	281,479
	=====	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Short-term bank borrowings	329,900	200,000	26,274
Long-term bank borrowings, current portion	16,000	16,000	2,102
Accounts payable	70,648	133,807	17,578
Notes payable	-	17,800	2,338
Accrued expenses and other liabilities	31,097	43,972	5,777
Customer deposits	152	940	124
Amount due to related parties	11,615	2,259	297
	-----	-----	-----
Total current liabilities	459,412	414,778	54,490
Non-current liabilities:			
Long-term bank borrowings, non-current portion	15,000	7,000	920
Minority interests	10,256	10,238	1,345
Shareholders' Equity			
Ordinary shares	193	193	25
Additional paid-in capital	1,574,347	1,577,628	207,255
Statutory reserves	17,746	20,884	2,744
Retained earnings	92,731	111,898	14,700
	-----	-----	-----
Total shareholders' equity	1,685,017	1,710,603	224,724
	-----	-----	-----
Total liabilities and shareholders' equity	2,169,685	2,142,619	281,479
	=====	=====	=====

The conversion in this release of Renminbi into U.S. dollars for the first quarter of 2007 made solely for the convenience of the reader, and is based on the noon buying rate in The City of New York for cable transfers of Renminbi as certified for customs purposes by the Federal Reserve Bank of New York as of June 29, 2007, which was RMB 7.612 to US\$1.0000. No representation is intended to imply that the Renminbi amounts could have been, or could be, converted, realized or settled into U.S. dollars at that rate on June 29, 2007, or at any other date. The percentages stated in this press release are calculated based on Renminbi amounts.

Solarfun Power Holdings Co, Ltd. manufactures both PV cells and PV modules, provides PV cell processing services to convert silicon wafers into PV cells, and supplies solar system integration services in China. The Company produces both monocrystalline and multicrystalline silicon cells and modules, and manufactures 100% of its modules with in-house produced PV cells. Solarfun sells its products both through third-party distributors and directly to system integrators. The Company was founded in 2004 and its products have been certified to TUV and UL safety and quality standards. SOLF-G

<http://www.solarfun.com.cn>

Safe Harbor Statement

This news release contains forward-looking statements, such as the Company's business outlook for 2007, including full year 2007 estimates for net revenue, PV product shipments and PV cell production capacity. Actual results may differ materially from such estimates depending on future events and other changes in business climate and market conditions. Solarfun disclaims any obligation to update or correct this information.

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