

Statman Harris & Eyrich LLC and Keller Rohrback L.L.P. Announce Class Action Proceeding on Behalf of Shareholders of Fuqi International, Inc. -- FUQI

CINCINNATI, April 16, 2010 - ATTORNEY ADVERTISING – Statman Harris & Eyrich, LLC (www.statmanharris.com) and Keller Rohrback L.L.P. (www.krclassaction.com) announce that a class action is proceeding on behalf of a class of all persons who purchased Fuqi International, Inc. ("Fuqi") (Nasdaq:[FUQI](#)) common stock or other publicly traded securities between May 15, 2009 and March 16, 2010 (the "Class Period"). Fuqi, based in Shenzhen, China, designs, produces, and sells precious metal jewelry.

The complaint, which was filed in the United States District Court for the Southern District of New York against Fuqi and certain of its officers and directors for violations of the Securities Exchange Act of 1934, alleges that during the Class Period, Defendants violated federal securities laws by making materially false and misleading statements regarding the Company's financial position. Specifically, Defendants are alleged to have falsified Fuqi's financial statements for the first three quarters of 2009 by understating the cost of sales for the period and by overstating gross profit, net income, and earnings per share, making it impossible for shareholders to gain a meaningful or realistic understanding of the Company's true financial position. Plaintiffs further allege that, as a result of Fuqi's materially false and misleading statements, Fuqi stock traded at artificially inflated prices during the Class Period, reaching a high of \$31.86 on September 15, 2009. On March 16, 2010, after the close of trading, Fuqi disclosed that its financial statements for the quarters ending March 31, June 30, and September 30, 2009 should no longer be relied upon "due to an error in the accounting of inventory and cost of sales."

On March 16, 2010, after the close of trading, Fuqi disclosed that its previously issued financial statements for the first three quarters of 2009 should no longer be relied upon "due to an error in the accounting of inventory and cost of sales" and that the company would delay filing its Annual Report on Form 10-K. Fuqi warned that "the result of the accounting errors are expected to have a material impact on the previously issued quarterly financial statements for the first three quarters of 2009." In addition, Fuqi lowered its earnings guidance for the 2009 fourth quarter from \$0.55-\$0.60 per share to \$0.24- \$0.28 per share. On this news, the price of Fuqi common stock plummeted \$7.10 per share, or more than 37%, to close at \$11.90 per share on March 17, 2010, on unusually high trading volume.

If you purchased Fuqi common stock or other publicly traded securities during the Class Period, you may, no later than May 18, 2010, request that the Court appoint you as lead plaintiff.

A lead plaintiff is a representative party that acts on behalf of other class members in directing the litigation. In order to be appointed lead plaintiff, the Court must determine that the class member's claim is typical of the claims of other class members, and that the class member will adequately represent the class. Under certain circumstances, one or more class members may together serve as "lead plaintiff." Your ability to share in any recovery is not, however, affected by the decision whether or not to serve as a lead plaintiff.

