

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

OMB APPROVAL	
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>CAGP, LTD.</u> <hr/> (Last) (First) (Middle) <u>C/O WALKER CORPORATE SERVICES LIMITED</u> <u>WALKER HOUSE, 87 MARY STREET</u> <hr/> (Street) <u>GEORGE TOWN, GRAND CAYMAN</u> <u>KY1-9001</u> <hr/> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>CHINA RECYCLING ENERGY CORP [ CREG ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>09/07/2012</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
8% Secured Convertible Promissory Note	\$0.8	09/07/2012		S			\$3,000,000	(1)	09/26/2012	Common Stock, par value \$0.001 per share	3,750,000	\$3,000,000	\$0	I(2)(3)	See footnotes

1. Name and Address of Reporting Person\*  
CAGP, LTD.  


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 (Last) (First) (Middle)  
C/O WALKER CORPORATE SERVICES LIMITED  
WALKER HOUSE, 87 MARY STREET  


---

 (Street)  
GEORGE TOWN, GRAND CAYMAN KY1-9001  


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 (City) (State) (Zip)

1. Name and Address of Reporting Person\*  
Carlyle Group Management L.L.C.  


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 (Last) (First) (Middle)  
C/O THE CARLYLE GROUP  
1001 PENNSYLVANIA AVE. NW, SUITE 220S  


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 (Street)  
WASHINGTON DC 20004  


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 (City) (State) (Zip)

1. Name and Address of Reporting Person\*  
Carlyle Group L.P.  


---

 (Last) (First) (Middle)  
C/O THE CARLYLE GROUP  
1001 PENNSYLVANIA AVE. NW, SUITE 220S  


---

 (City) (State) (Zip)

(Street)  
WASHINGTON DC 20004

(City) (State) (Zip)

1. Name and Address of Reporting Person\*

[Carlyle Holdings II GP L.L.C.](#)

(Last) (First) (Middle)

C/O THE CARLYLE GROUP  
1001 PENNSYLVANIA AVE. NW, SUITE 220S

(Street)  
WASHINGTON DC 20004

(City) (State) (Zip)

1. Name and Address of Reporting Person\*

[Carlyle Holdings II L.P.](#)

(Last) (First) (Middle)

C/O THE CARLYLE GROUP  
1001 PENNSYLVANIA AVE. NW, SUITE 220S

(Street)  
WASHINGTON DC 20004

(City) (State) (Zip)

1. Name and Address of Reporting Person\*

[TC Group Cayman Investment Holdings, L.P.](#)

(Last) (First) (Middle)

C/O WALKER CORPORATE SERVICES LIMITED  
WALKER HOUSE, 87 MARY STREET

(Street)  
GEORGE TOWN, KY1-9001  
GRAND CAYMAN

(City) (State) (Zip)

1. Name and Address of Reporting Person\*

[TC Group Cayman Investment Holdings Sub L.P.](#)

(Last) (First) (Middle)

C/O WALKER CORPORATE SERVICES LIMITED  
WALKER HOUSE, 87 MARY STREET

(Street)  
GEORGE TOWN, KY1-9001  
GRAND CAYMAN

(City) (State) (Zip)

1. Name and Address of Reporting Person\*

[CAGP GENERAL PARTNER, L.P.](#)

(Last) (First) (Middle)

C/O WALKER CORPORATE SERVICES LIMITED  
WALKER HOUSE, 87 MARY STREET

(Street)  
GEORGE TOWN, KY1-9001  
GRAND CAYMAN

(City) (State) (Zip)

1. Name and Address of Reporting Person\*

[CARLYLE ASIA GROWTH PARTNERS III, L.P.](#)

(Last) (First) (Middle)

C/O WALKER CORPORATE SERVICES LIMITED  
WALKER HOUSE, 87 MARY STREET

(Street)  
GEORGE TOWN,  
GRAND CAYMAN KY1-9001

(City) (State) (Zip)

1. Name and Address of Reporting Person \*

CAGP III CO-INVESTMENT, L.P.

(Last) (First) (Middle)  
C/O WALKER CORPORATE SERVICES LIMITED  
WALKER HOUSE, 87 MARY STREET

(Street)  
GEORGE TOWN,  
GRAND CAYMAN KY1-9001

(City) (State) (Zip)

**Explanation of Responses:**

1. Currently exercisable.

2. Carlyle Asia Growth Partners III, L.P. and CAGP III Co-Investment, L.P. are the record holders of the 8% Secured Convertible Promissory Note. Carlyle Group Management L.L.C. is the general partner of The Carlyle Group L.P., which is a publicly traded entity listed on NASDAQ. The Carlyle Group L.P. is the managing member of Carlyle Holdings II GP L.L.C., which is the general partner of Carlyle Holdings II L.P., which is the general partner of TC Group Cayman Investment Holdings, L.P., which is the general partner of TC Group Cayman Investment Holdings Sub L.P., which is the sole shareholder of CAGP, Ltd., which is the general partner of CAGP General Partner, L.P., which is the general partner of each of Carlyle Asia Growth Partners III, L.P. and CAGP III Co-Investment, L.P. (continued in footnote 3)

3. Accordingly, each of Carlyle Group Management L.L.C., The Carlyle Group L.P., Carlyle Holdings II GP L.L.C., Carlyle Holdings II L.P., TC Group Cayman Investment Holdings, L.P., TC Group Cayman Investment Holdings Sub L.P., CAGP, Ltd. and CAGP General Partner, L.P. may be deemed to share beneficial ownership of the shares of the common stock owned of record by each of Carlyle Asia Growth Partners III, L.P. and CAGP III Co-Investment, L.P.

**Remarks:**

Exhibit List: Exhibit 24 - Confirming Statement Exhibit 99 - Joint Filer Information

/s/ Norma Kuntz, attorney-in-fact  
for Daniel A. D'Aniello, 09/11/2012  
Chairman

\*\* Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.

**POWER OF ATTORNEY**

The undersigned understands that, from time to time, the Carlyle Companies (defined below) are required to prepare, execute and file certain federal and state securities laws filings.

Know all by these presents, that the undersigned hereby constitutes and appoints each of Curt Buser, Jeff Ferguson, David Pearson, Catherine Ziobro, R. Rainey Hoffman, Joanne Cosiol, Monica Harris, Jeremy Anderson, Bruno De Gusmao, Ann Siebecker, Andrea Pekala, Tom Mayrhofer, Orit Mizrahi, John Beczak, Rick Kappler, Matt LoRusso, Rob Konigsberg, James Sloan, Anne Frederick, Norma Kuntz, Victoria Jong, Erica Herberg or any of them signing singly, and with full power of substitution, the undersigned's true and lawful attorney-in-fact to:

- (1) prepare, execute in the name of each Carlyle Company and on behalf of each Carlyle Company, and submit to the U.S. Securities and Exchange Commission (the "SEC") a Form ID, including amendments thereto, and any other documents necessary or appropriate to obtain codes and passwords enabling the undersigned to make electronic filings with the SEC of Forms D ("Form D") required to be filed in accordance with Rule 503 ("Rule 503") promulgated with respect to Sections 4(2), 4(6) and 3(b) of the Securities Act of 1933 (the "1933 Act") and reports required by Sections 13(d) and 16(a) of the Securities Exchange Act of 1934 (the "1934 Act") or any rule or regulation of the SEC;
- (2) prepare and execute for and on behalf of each Carlyle Company, in the undersigned's capacity as a Chairman, authorized person, officer and/or director of each Carlyle Company, federal and state securities laws filings including without limitation Forms D pursuant to Rule 503 and Schedules 13D and 13G and Forms 3, 4, and 5 in accordance with Sections 13(d) and 16(a) of the 1934 Act and the rules thereunder;
- (3) do and perform any and all acts for and on behalf of each Carlyle Company which may be necessary or desirable to complete and execute any such federal and state securities laws filings including without limitation Forms D, Schedules 13D and 13G and Forms 3, 4, and 5, complete and execute any amendment or amendments thereto, and timely file such form with the SEC and the securities administrators of any state, the District of Columbia, the Commonwealth of Puerto Rico, Guam and the United States Virgin Islands or their designees and any stock exchange or similar authority; and
- (4) take any other action of any type whatsoever in connection with the foregoing which, in the opinion of such attorney-in-fact, may be of benefit to, in the best interest of, or legally required by, the undersigned, it being understood that the documents executed by such attorney-in-fact on behalf of the undersigned pursuant to this Power of Attorney shall be in such form and shall contain such terms and conditions as such attorney-in-fact may approve in such attorney-in-fact's discretion.

The undersigned hereby grants to each such attorney-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary, or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as the undersigned might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that such attorney-in-fact, or such attorney-in-fact's substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted, whether the same needs to be executed, taken or done by him in his capacity as a current or former member, partner, shareholder, director or officer of any company, partnership, corporation, organization, firm, branch or other entity connected with, related to or affiliated with any of the entities constituting the Carlyle Companies or entities that directly or indirectly hold interests in the Carlyle Companies.

The undersigned acknowledges that the foregoing attorneys-in-fact, in serving in such capacity at the request of the undersigned, are not assuming any of the undersigned's responsibilities to comply with federal and state securities laws, including without limitation Rule 503 of the 1933 Act or Section 13 and Section 16 of the 1934 Act.

This Power of Attorney and all authority conferred hereby shall not be terminated by operation of law, whether by the death or incapacity of the undersigned or by occurrence of any other event. Actions taken by an attorney-in-fact pursuant to this Power of Attorney shall be as valid as if any event described in the preceding sentence had not occurred, whether or not the attorney-in-fact shall have received notice of such event. Notwithstanding the foregoing, (i) in the event that an attorney-in-fact is no longer employed by The Carlyle Group Employee Co., L.L.C. or its affiliates, this Power of Attorney and all authority conferred hereby shall be immediately terminated with respect to such Attorney, and (ii) the undersigned may terminate or revoke this Power of Attorney at any time.

For purposes hereof, the "Carlyle Companies" shall consist of: (i) Carlyle Group Management L.L.C., The Carlyle Group L.P., Carlyle Holdings I GP Inc., Carlyle Holdings I GP Sub L.L.C., Carlyle Holdings I L.P., Carlyle Holdings II GP L.L.C., Carlyle Holdings II L.P., Carlyle Holdings III GP Management L.L.C., Carlyle Holdings III GP L.P., Carlyle Holdings III GP Sub L.L.C., Carlyle Holdings III L.P., TC Group Sub L.P., TC Group Investment Holdings Sub L.P., TC Group Cayman Investment Holdings Sub L.P., TC Group Cayman Sub L.P. and (ii) the subsidiaries and affiliates of the foregoing in clause (i), including without limitation investment funds sponsored directly or indirectly by one or more of the Carlyle Companies.

IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of this 8<sup>th</sup> day of May, 2012.

/s/ Daniel A. D'Aniello

Name: Daniel A. D'Aniello

Title: Chairman

**Joint Filer Information**

Date of Event Requiring Statement: September 7, 2012

Issuer Name and Ticker or Trading Symbol: China Recycling Energy Corporation [CREG]

Designated Filer: CAGP, Ltd.

Other Joint Filers: Carlyle Group Management L.L.C.  
The Carlyle Group, L.P.  
Carlyle Holdings II GP L.L.C.  
Carlyle Holdings II L.P.  
TC Group Cayman Investment Holdings, L.P.  
TC Group Cayman Investment Holdings Sub L.P.  
CAGP General Partner, L.P.  
Carlyle Asia Growth Partners III, L.P.  
CAGP III Co-Investment, L.P.

Addresses: The address of each of Carlyle Group Management L.L.C., The Carlyle Group, L.P., Carlyle Holdings II GP L.L.C., and Carlyle Holdings II L.P. is c/o The Carlyle Group, 1001 Pennsylvania Ave., N.W., Suite 220 South, Washington, DC 20004-2505. The principal business address of each of the other reporting persons is c/o Walkers Corporate Services Limited, Walker House, 87 Mary Street, George Town, Grand Cayman KY1-9001, Cayman Islands.

Signatures:

Dated: September 11, 2012

**CARLYLE GROUP MANAGEMENT L.L.C.**

By: /s/ Norma Kuntz, attorney-in-fact

Name: Daniel D'Aniello  
Title: Chairman

**THE CARLYLE GROUP L.P.**

By: Carlyle Group Management L.L.C., its general partner

By: /s/ Norma Kuntz, attorney-in-fact

Name: Daniel D'Aniello  
Title: Chairman

**CARLYLE HOLDINGS II GP L.L.C.**

By: The Carlyle Group L.P., its managing member

By: Carlyle Group Management L.L.C., its general partner

By: /s/ Norma Kuntz, attorney-in-fact

Name: Daniel D'Aniello  
Title: Chairman

**CARLYLE HOLDINGS II L.P.**

By: /s/ Norma Kuntz, attorney-in-fact

Name: Daniel D'Aniello  
Title: Chairman

**TC GROUP CAYMAN INVESTMENT HOLDINGS, L.P.**

By: Carlyle Holdings II L.P., its general partner

By: /s/ Norma Kuntz, attorney-in-fact

Name: Daniel D'Aniello  
Title: Chairman

**TC GROUP CAYMAN INVESTMENT HOLDINGS SUB L.P.**

By: TC Group Cayman Investment Holdings, L.P., its general partner

By: Carlyle Holdings II L.P., its general partner

By: /s/ Norma Kuntz, attorney-in-fact

Name: Daniel D'Aniello  
Title: Chairman

**CAGP LTD.**

By: /s/ Norma Kuntz, attorney-in-fact

Name: Daniel D'Aniello

Title: Director

**CAGP GENERAL PARTNER, L.P.**

by: CAGP Ltd., its general partner

By: /s/ Norma Kuntz, attorney-in-fact

Name: Daniel D'Aniello

Title: Director

**CARLYLE ASIA GROWTH PARTNERS III, L.P.**

by: CAGP General Partner, L.P., its general partner

by: CAGP Ltd., its general partner

By: /s/ Norma Kuntz, attorney-in-fact

Name: Daniel D'Aniello

Title: Director

**CAGP III CO-INVESTMENT, L.P.**

by: CAGP General Partner, L.P., its general partner

by: CAGP Ltd., its general partner

By: /s/ Norma Kuntz, attorney-in-fact

Name: Daniel D'Aniello

Title: Director