Investment and Company Research
Opportunity Research
COMPANY REPORT

CHINA RECYCLING ENERGY CORP.
Renewable Energy Leader Offers Huge Upside

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CHINA RECYCLING ENERGY CORP. (NASDAQ – CREG - $3.30)	
Price Target: $7.50	Rating: Speculative Buy

COMPANY SNAPSHOT

China Recycling Energy Corp. provides environmentally friendly waste-to-energy technologies to recycle industrial by-products for steel mills, cement factories and coke plants in China. By-products include heat, steam, pressure, and exhaust gas to generate large amounts of lower-cost electricity and reduce the need for outside electrical sources. The Chinese government has adopted policies to encourage the use of recycling technologies to optimize resource allocation and reduce pollution.

KEY STATISTICS

Price as of 11/19/13	$3.30
52 Wk High – Low	$4.60 – 0.78
Est. Shares Outstanding	54.9M
Market Capitalization	$200M
3 Mo Avg Vol	96,000
Exchange	NASDAQ

COMPANY INFORMATION

China Recycling Energy Corporation
12/F Tower A
Chang An International Building
No. 88 Nan Guang Zheng Jie
X'ian City Shaanxi Province
China
www.creg-cn.com

INVESTMENT HIGHLIGHTS

With a first-mover advantage and 15 completed projects worth hundreds of millions of dollars, CREG is poised to dominate the renewable energy industry in China. The Chinese government has adopted policies to encourage the use of recycling technologies and renewable energy resources which are viewed as critical growth market due to intensified environmental concerns and rising energy costs.

The CREG business model has no significant competition and is a win-win for its customers. CREG provides the initial capex investment for the customer in exchange for a long-term production agreement with attractive returns on investment thereby enabling customers to improve energy efficiency and reduce emissions, resulting in long-term recurring revenue via a sales-type leasing model.

The Company's systems recover energy in the form of pressure, heat and gas and convert it into electricity. CREG's power systems recover previously wasted, cost free byproducts such as heat, pressure, steam, and other residuals generated during industrial production processes.

CREG is very profitable with payback of its projects on average of 3-5 years. In addition to its 15 completed systems, 4 projects are under construction and CREG has a pipeline of 6 large-scale deals, affirming its huge growth opportunity.

CREG is the best pure play renewable energy stock focused on the China market. We believe this sleeper stock will reach $7.50 in the next year based on a huge increase in profitability. Our target is based upon 15x our FY14E EPS estimate of $0.50. We rate these shares Speculative Buy.

INDUSTRY OVERVIEW

The problems with China and pollution are infamous. A rapidly growing consumer-based economy and modernization has driven the demand for energy at an exponential pace and this trend is expected to continue. The annual growth rate of 1.8% per year in electricity forecast through 2020 by State Grid Corporation of China earlier this year may seem minor, but as the number one consumer of electric power in the world at nearly 5 trillion kilowatt-hours per year, the figure is significant. The combination of this huge growth rate coupled with the obvious environmental concerns is driving the industry to adopt energy recycling projects. *Figure 1* illustrates the unbelievable growth rate for electric power consumption compared to the U.S. over approximately the past fifty years.

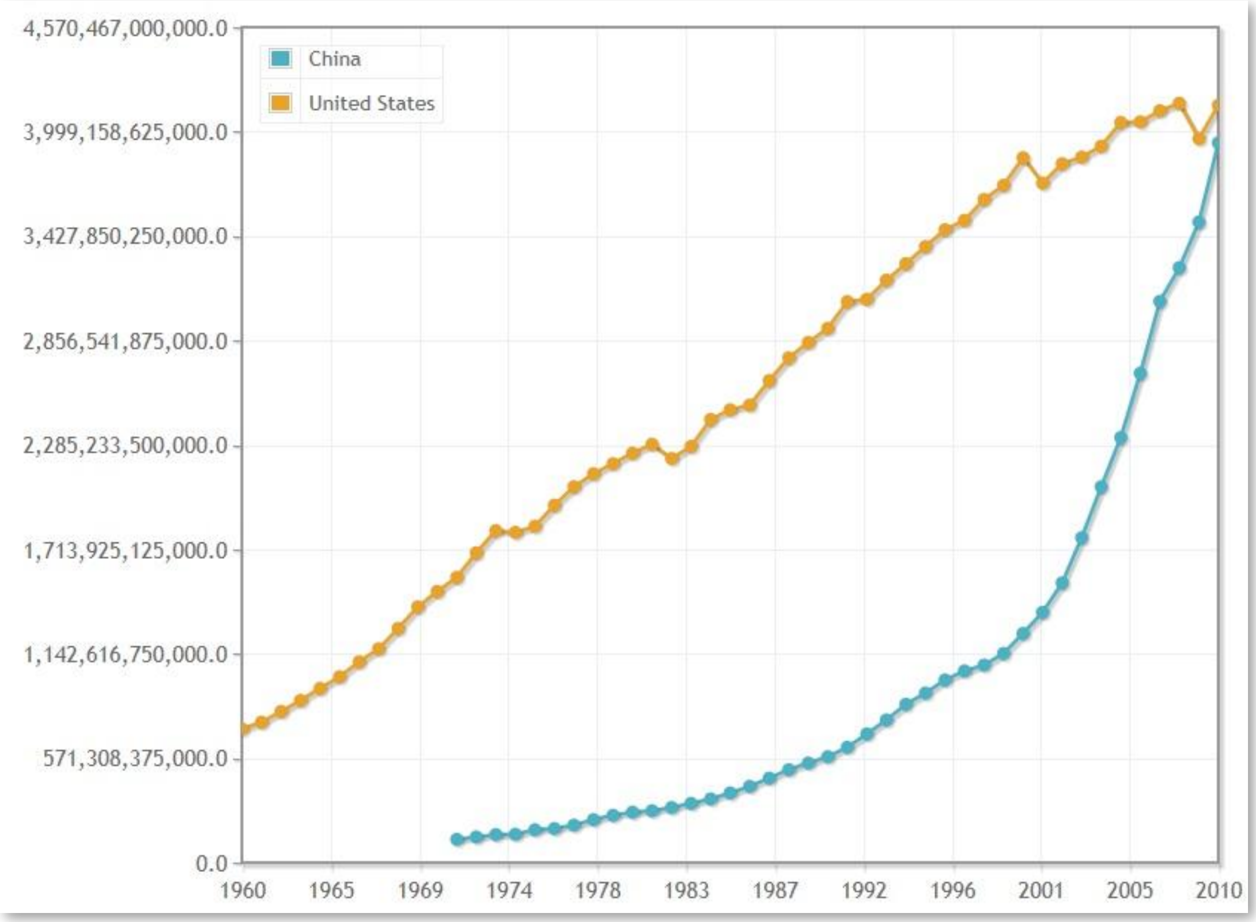

Figure 1: 50-Year Historical Electric Power Consumption, kWh – China vs. United States
Source: (World Bank, www. indexmundi.com, April 2013)

The Chinese government has begun to address the existing environmental crisis and earlier this year it announced a massive spending program to enhance air and water pollution prevention and treatment. The 3 trillion Yuan ($492 billion U.S.) will include 1.7 trillion Yuan for airborne pollution prevention and control action plan. This spending will aid the energy conservation and environmental protection industry, which is expected to exceed 10 trillion Yuan in the 12th five year plan for 2011-2015, which is a 40% increase from the 11th five year plan from 2006-2010. The inflow of both private and public capital will be a massive boost for firms like China Recycling.

Figure 2 provides a snapshot of CREG's four major target markets and the related drivers and applications.

Industry	China Rank & Growth Rate	Energy Potential/Recovery	Market	Government Regulation/Initiatives	China Recycling Application
Steel	3rd Largest in World, 20% CAGR over past 5 years	38 kWh/Ton of Steel = $686 M electricity revenue	200 Projects over next 5 years	All new and existing must install TRT system, approximately 50% in compliance now	Blast Furnace Top Gas Recovery Units
Cement	China produces nearly 45% of cement globally, 1.35 billion tons/year	38 kWh/Ton Cement	480 Projects over next 5 years	Only 10% of required 40% of new Dry-Type Cement production installed from 2010 mandate	Cement Heat Power Generation (CHPG)
Coal coking	281 million tons/year, 20% CAGR	80 kWh/Ton = $1.5 B electricity revenue	300 Furnace Waste Gas Projects, 500 Blast Furnace Waste Heat Projects, 100 Glass Furnace waste heat projects, 200 non-ferrous metal projects, 300 waste gas power generation projects	NA	Waste Gas Power Generation (WGPG)
Agricultural Waste	New Priority Under China NRDC 12th Five Year Plan for 2011 - 2015	0.25 RMB/kWh versus coal ($0.04 US)	NA	Preferential tax and subsidies for straw power plants	Biomass Waste Power Generation

Figure 2: Four Major Energy Recycling Markets in China
Source: www.Creg-cn.com, Goldman Small Cap Research)

PRODUCT/STRATEGY OVERVIEW

The concentrated effort of the Chinese government to reduce pollution while improving electricity production efficiency through recycling projects is a crucial factor that enables China Recycling Corporation to develop technology and monetize its projects. The Company has created a unique business model it has termed as BOT, which is *Build, Operate, and Transfer*. The Company is the only listed waste-energy BOT pure play with no direct competitors with a comparable combination of technical and financial resources. ***Figure 3*** is a diagram illustrating the model in further detail.

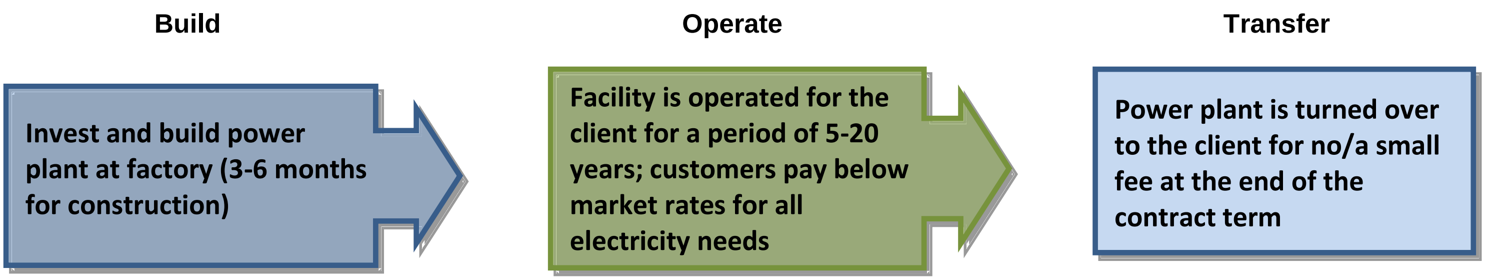

Figure 3: China Recycling Corporation BOT Model
Source: www.Creg-cn.com

The BOT Model enables CREG clients to focus on core business and avoid large capital expenditures while improving energy efficiency and meeting regulatory standards. Additionally, the Company has a Lease Model where CREG finances and constructs a project, leases to the customer, and then sells/gives the project to the customer when the lease expires, and an Investment Model where both CREG and the customer finance and construct the project and share in the profits over 5-30 years (or indefinitely).

The Company's systems recover energy in the form of pressure, heat and gas and convert it into electricity. CREG's power systems recover previously wasted, cost free byproducts such as heat, pressure, steam, and other residuals generated during industrial production processes. Electricity generated by CREG's power systems is extremely low cost because they do not require any external fuel sources, such as fossil fuels which further harm the environment.

CREG is very profitable with payback of its projects on average of 3-5 years. As of 3Q13, the Company has 15 systems in operation with a total capacity of over 130 MW with two heat recovery/WGPG and three CDQ projects under construction with a total capacity in excess of 102.5 MW. These projects vary from TRT to CHPG and others. Plus, the Company has signed MOUs (Memorandum of Understanding) for six other TRT, CHPG, and WGPG projects with a total capacity approaching 300 MW, affirming its huge growth opportunity. New projects are aided by management's strong ties to China's leading coking plants, cement producer, and nickel steel plant.

System	Description	Application	Min. Investment
TRT	Top gas Recovery Turbine unit, a system that utilizes high pressured gas emitted from the steel blast furnace top to drive turbine units and generate electricity	Steel plants	$3.5M
CHPG	Cement Heat Power Generation, a system that collects the waste heat from the entrance and exit ends of cement rotary kilns to generate electricity	Cement plants	$7M
WGPG	Waste Gas Power Generation, a system that utilizes flammable waste gas from coal mining, petroleum exploitation and refinery processing as a fuel source to generate electricity	Oil refinery plants and coal mining	$10M
CCPP	Combined Cycle Power Plant, a system that generates electricity by burning the previously released gas generated during the iron-making process from blast furnaces. This can be achieved using either the boiler or CCPP turbine method	Steel plants and coking factories	$25M
BWPG	Biomass Waste Power Generation, a new energy alternative that utilizes agriculture waste, such as straw, wood, and biogas, as fuel to generate power	Agriculture and forestry	$15M

Figure 4: China Recycling Project Offerings
Source: www.Creg-cn.com

In order for the CREG model to work effectively it must be based upon sound technology and relationships with financial organizations to finance the projects. The Company has over 40 engineers in total, and over 30 of them have at least 15 years of experience in the industry. The Company owns Xingtai Iron & Steel design institute which will provide consulting, engineering and supervising responsibilities for TRT, waste heat, and waste gas power generation projects. Additionally, the Company has two self-owned patents, with six authorized for use and 10 slated for application in the near term.

Separately, the Company has a number of joint ventures and relationships on the financial side with organizations such as Hongyuan Huifu (ultimate owner is Central Huijin) which has the HY Recycling Energy Fund joint venture with CREG, along with Cinda Asset Management Co., Ltd which is owned by the Chinese Ministry of Finance. From the cost perspective the entire waste-energy is receiving strong support from the Chinese government from both a funding and tax incentive perspective. The Company is the benefactor of a 15% preferential corporate tax income versus the standard 25% rate as part of the EMC (Energy Management Contract) initiative.

The bottom line for CREG is that it serves as the only pure turnkey provider of size that offers the design, operation, financing, technology that cost-effectively and efficiently recycles waste energy to ease pollution via a highly profitable model.

Figure 5 provides estimates from the Chinese *Industrial Association's* reports and China Recycling on its costs for electric power generation versus other current and alternative forms used in China. CREG's Waste and Heat Pressure Systems are at least an order of magnitude lower than other forms with the exception of Hydroelectricity, which is still significantly higher when one considers the massive overall consumption of electricity and the growth rate forecast in demand.

Power Type	Current Market Share	Capital Investment per kW	Power Generation Cost per kW
CREG's Waste Heat & Pressure Systems	0.08%	$600-1,070	$0.0043-0.0100
Thermal Power	72.22%	$640-1,140	$0.0214-0.0271
Hydroelectricity	26.80%	$860-1,430	$0.0057-0.0129
Nuclear Power	0.70%	$1,450-1,670	$0.0229
Solar Power	0.08%	$2,000-2,570	$0.2857-0.4286
Others	0.10%	$1,140-1,430	$0.0170-0.0230

Source: Industrial Association's Reports and CREG's Estimates

Figure 5: Electric Power Generation Estimates by Source
Source: www.Creg-cn.com

MANAGEMENT

The C-level and upper management team at China Recycling Corporation has over 100 years of experience in energy, finance, engineering, and marketing in both China and the United States. The multitude of experiences will enable the Company to lead in innovation while meeting investor expectations related to the bottom line.

Guohua Ku – Chairman & Chief Executive Officer

Mr. Ku was appointed as a director and Chief Executive Officer in 2008 and was elected Chairman of the Board in 2009. He has extensive experience in research, marketing and technology as well as management. From 1979 to 2003, Mr. Ku served in multiple capacities for Shaanxi Blast Air Blower (Group) Co., Ltd., the largest waste pressure power generation equipment manufacturer of China, and held different positions in R&D, marketing and management with that company, including being in charge of the research and development for the first fully domestic-made TRT system in China in 1984. Mr. Ku holds an MBA degree from China Northwestern University.

David Chong – Chief Financial Officer

Mr. Chong joined the Company in 2010. He has over 20 years of experience in medium to large, private and public manufacturing companies with dealings in markets in China, Singapore, the United States and Europe. Prior to joining the Company he served as CFO of Yan Zhi Hong Co., Ltd from 2007 to 2010 and from 1991 to 2006 was the Financial Controller of Amtek Engineering Limited where he managed the financial operations of six plants in China with annual revenues in excess of $250 million. Mr. Chong has certification in Professional Accountancy Studies from ACCA (the Association of Chartered Certified Accountants) and is fluent in both English and Mandarin.

Zhigang Wu – Vice President, Finance

Mr. Wu was appointed as Vice President, Finance starting in 2007 and is responsible for the securities and financing activities of the Company. He has Over 10 years' experience at Guotai-Junan Securities and Zhongzheng Investment Consultation Co., Ltd where he was responsible for research and analysis reports on China domestic listed a share companies. Mr. Wu received a BA degree from Inner-Mongolia Finance & Economy University in 1998, with a major in international finance.

Xiaogang Zhu - Vice President, Accounting

Mr. Zhu was appointed as Vice President, Accounting in 2010 and joined the Company as Accounting Manager in December 2007. He was the Chief Financial Officer of China Natural Gas, Inc. from 2005 to 2007, and from 2000 through 2005, was the Vice President of Xian Dapeng Biotechnology Company. While with Xian Dapeng Biotechnology Company, Mr. Zhu served in various management roles, including time as head of accounting in which he established the accounting management and internal control systems. He received his bachelor degree in Accounting from Shaanxi Finance and Accounting Institute (now Xian Jiaotong University Management School).

Lanwei Li - Executive Director

Mr. Li was appointed as a director in 2009 and has worked for the Company and its predecessor, Shanghai TCH, since March 2005. Prior to that, he was employed by Shaan'xi Chaoyang Education Information Co., Ltd, where he was in charge of the Xi'an area. He has experience and technical knowledge in the waste energy recycling industry along with knowledge of the operations of the Company. Mr. Li holds an EMBA degree from Xi'an Jiaotong University.

THE LATEST: 3Q13 FINANCIALS AND EVENTS

Below is a table that highlights the Company's completed projects, along with those currently under construction. Clearly, with starts dates going back as far as 2007, it is easy to see why CREG has enjoyed great success. It should be noted that 12 MW BMPG system of Pucheng Phase II project was completed and sold during 3Q13.

Type	Project Name	Start Date	Project Life	MW	Unleveraged IRR	Payback Period
TRT	Zhangzhi Iron & Steel	Q2 2007	13	9.0	48%	3
CHPG	Shengwei Tongchuan	Q4 2008	5	9.0	44%	3
CHPG	Shengwei Jinyang	Q2 2009	5	9.0	41%	3
WGPG	Erdos Phase I, Project 1	Q4 2009	20	18.0	22%	5
WGPG	Erdos Phase I, Project 2	Q1 2010	20	9.0	22%	6
BWPG	Pucheng Biomass	Q2 2010	15	12.0	22%	6
WGPG	SinoSteel Binghai I	Q3 2010	9	7.0	23%	5
WGPG	Erdos Phase II	Q1 2011	20	27.0	22%	5
BWPG	Shenqiu Biomass I	Q3 2011	11	12.0	20%	5
BWPG	Shenqiu Biomass II	Q1 2013	11	12.0	20%	5
BPRT	Datong Coal – Tongmei	Q2 2013	20	6.0	21%	5
WGPG	Datong Coal – Tongmei	Under Construction	20	17.0	21%	5
WHPG	Jilin Ferroalloys	Under Construction	25	10.5	20%	5
CDQ	Chengli CDQ	Under Construction	20	25.0	20%	5
CDQ	Tian yu CDQ	Under Construction	Long Term	50.0	20%	5

Figure 6: CREG Projects

Source: www.Creg-cn.com

Late last week, CREG announced great results for 3Q13. Total sales, including system sales and contingent rental income for 3Q13 were $21.74 million while total sales for 3Q12 were $0.48 million, an increase of $21.26 million as a result of an increase in the sales of systems. Interest income was $5.20 million, a $0.62 million increase from $4.59 million for the comparable period of 2012. We should note that Interest income is recognized from the recurring cash lease payments over the course of the lease term.

During the third quarter of 2013, interest income was derived from 14 systems: one TRT system, two CHPG systems, two systems with Erdos Phase I project and three systems of Erdos Phase II project, two Pucheng biomass power generation systems, two Shenqiu biomass power generation systems and Zhongbao WHPG system. In comparison, during the third quarter of 2012, interest income was derived from 11 systems: one TRT systems, two CHPG systems, two systems with Erdos Phase I project and three systems of Erdos Phase II project, the Pucheng biomass power generation system, Shenqiu biomass power generation system and Zhongbao WHPG system.

Net income for 3Q13 was $4.39 million compared to net loss of $1.41 million for the comparable period of 2012, an increase of $5.80 million. This increase in net income was mainly due to the increased sales, interest income on sales-type leases, and decreased non-operating expenses compared with the comparable period of 2012. GAAP diluted EPS was $0.08 for the period as compared with minus $0.03 for 3Q12.

RISK FACTORS

In our view, the biggest factor in impeding CERG's success are related to potential slowdowns in adoption of the turnkey solutions, along with the recycling initiatives themselves in China. In addition, any financing delays or unfavorable terms could also prove to be a potential risk for the Company and its customers. For investors, geopolitical risk is a real factor as is the fact that many stocks of China domicile have been hammered in recent years due to accounting and other scandals. Given its longevity as a public company and its noted auditors, we do not believe that this is a true risk, although the stock will likely trade at a discount to U.S.-based companies, in response. Nonetheless, considering the strength of the brand, its undisputed status as the only firm with its capabilities, we do not view competition from larger firms or even from newer entrants with similar approaches as serious threats.

VALUATION AND CONCLUSION

With a first-mover advantage and 15 completed projects worth hundreds of millions of dollars, CREG is poised to dominate the renewable energy industry in China. For example, ***Figure 7*** below provides a breakdown of non-cancelable lease payments outstanding and the numbers are huge, with $41.6M alone for 2014. As a result the Company has great financial visibility. Moreover, as noted in the CREG project breakdown in **Figure 6** above, CREG appears to have four projects that should be completed for sale in 2014, providing a huge increase in total revenue and profitability, with much of the sales growth to occur in 2H14. These notable projects are primarily in the CDQ space which is a great driver of business for the Company.

Clearly, CREG has the wind at its back. The Chinese government has adopted policies to encourage the use of recycling technologies to and renewable energy resources are is viewed as critical growth market due to intensified environmental concerns and rising energy costs. The CREG business model has no competition and is a win-win for its customers as CREG provides the initial capex investment for the customer in exchange for a long-term production agreement with attractive returns on investment resulting in long-term recurring revenue via a project finance sales-type model.

As of September 30, 2013, the future minimum rentals to be received on non-cancelable sales-type leases by years are as follows:

2014	$41,577,205
2015	35,821,007
2016	35,821,007
2017	35,821,007
2018	35,774,982
Thereafter	302,590,662
Total	$487,405,870

Figure 7. Future Rentals
Source: CREG 3Q13 Press Release

CREG is very profitable with payback of its projects on average of 3-5 years. As noted in our projected income statement below, our FY13E forecasts assume $73.9M in revenue and $0.32 in EPS, driven by new sales and interest income. For FY14E, we project $151M in revenue and $0.50 in EPS, which could prove to be conservative. We plan to compile financial projections on a quarterly basis for 2014 and initiate a FY2015 forecast following the release of 4Q13 and FY13 results early next year. Meanwhile, trading at a paltry 10x our FY13E EPS estimate, we believe that this sleeper stock will reach $7.50 in the next year and believe that the current price is a great entry point for new investors as the stock has sold off since reaching a new 52-week high. Our target is based upon 15x our FY14E EPS estimate of $0.50. We rate these shares Speculative Buy.

CREG CONSOLIDATED BALANCE SHEETS

SEPTEMBER 30, 2013 AND DECEMBER 31, 2012

		2013 (UNAUDITED)		2012
ASSETS				
CURRENT ASSETS				
Cash & equivalents	$	34,860,204	$	45,004,304
Restricted cash		3,334,418		2,725,002
Accounts receivable		112,619		81,819
Current portion of investment in sales type leases, net		10,425,585		10,389,028
Interest receivable on sales type leases		782,743		912,467
Prepaid expenses		1,363,307		49,581
Other receivables		1,711,784		121,109
Notes receivable		650,618		-
Advance to related party		-		440,987
Prepaid interest on trust loans		834,418		816,164
Prepaid loan fees – current		82,954		81,139
Total current assets		54,158,650		60,621,600
NON-CURRENT ASSETS				
Prepaid loan fees – noncurrent		145,169		202,848
Investment in sales type leases, net		162,661,260		118,021,435
Long term investment		567,664		-
Long term deposit		345,641		388,508
Property and equipment, net		56,139		68,305
Construction in progress		78,563,009		22,993,905
Total non-current assets		242,338,882		141,675,001
TOTAL ASSETS	**$**	**296,497,532**	**$**	**202,296,601**

CREG CONSOLIDATED BALANCE SHEETS (CONT)	2013	2012
LIABILITIES AND STOCKHOLDERS' EQUITY	(UNAUDITED)	
CURRENT LIABILITIES		
Accounts payable	$ 768,734	$ 239,722
Notes payable - bank acceptances	5,367,599	3,659,216
Taxes payable	1,997,869	1,372,535
Accrued liabilities and other payables	1,199,762	1,534,829
Deferred tax liability	2,574,083	2,471,925
Due to related parties	4,084,277	-
Bank loans payable – current	12,361,744	13,523,188
Trust loans payable	32,124,268	31,421,526
Interest payable on trust loans	3,593,734	317,962
Cinda note payable	-	3,766,694
Accrued interest on Cinda note	-	383,929
Current portion of long term payable	1,401,276	1,292,185
Total current liabilities	65,473,346	59,983,711
NONCURRENT LIABILITIES		
Deferred tax liability, net	9,196,399	6,565,618
Refundable deposit from customers for systems leasing	1,154,847	588,656
Shares to be issued	16,481,108	-
Long term payable	2,729,662	3,711,658
Bank loans payable	6,506,181	12,091,321
Entrusted loan payable	62,134,027	-
Total noncurrent liabilities	98,202,224	22,957,253
Total liabilities	163,675,570	82,940,964
CONTINGENCIES AND COMMITMENTS	-	-
STOCKHOLDERS' EQUITY		
Common stock, $0.001 par value; 100,000,000 shares authorized, 52,136,673 and 50,224,350 shares issued and outstanding at September 30, 2013 and December 31, 2012, respectively	52,137	50,225
Additional paid in capital	61,455,925	58,501,642
Statutory reserve	9,167,710	7,766,002
Accumulated other comprehensive income	14,863,330	11,554,225
Retained earnings	46,904,131	37,107,107
Total Company stockholders' equity	132,443,233	114,979,201
Non-controlling interest	378,729	4,376,436
Total equity	132,821,962	119,355,637
TOTAL LIABILITIES AND EQUITY	**$ 296,497,532**	**$ 202,296,601**

CREG HISTORICAL AND PROJECTED INCOME STATEMENT

	FY 2012	Q1 2013	Q2 2013	Q3 2013	Q4 2013	FY 2013	FY 2014
Sales of Systems	$0	$14,079,796	$13,623,004	$21,389,320	$23,500,000	$72,592,120	$90,000,000
Rental Income	$1,245,805	$260,775	$289,559	$349,248	$400,000	$1,299,582	$500,000
Total Revenue	**$1,245,805**	**$14,340,571**	**$13,912,563**	**$21,738,568**	**$23,900,000**	**$73,891,702**	**$90,500,000**
Cost of Sales	**$0**	**$10,900,912**	**$10,501,936**	**$16,479,275**	**$18,403,000**	$56,285,123	**$68,780,000**
Gross Profit	**$1,245,805**	**$3,439,659**	**$3,410,627**	**$5,259,293**	**$5,497,000**	**$17,606,579**	**$21,720,000**
Int Inc. on Sales Type Leases	$18,234,020	$3,824,840	$4,728,706	$5,204,537	$5,500,000	$19,258,083	$27,000,000
Operating Income	**$19,479,825**	**$7,264,499**	**$8,139,333**	**$10,463,830**	**$10,997,000**	**$36,864,662**	**$48,720,000**
Operating Expenses	$5,662,212	$1,082,446	$684,114	$934,029	$1,200,000	$3,900,589	$5,500,000
Income from Operations	**$13,817,613**	**$6,182,053**	**$7,455,219**	**$9,529,801**	**$9,797,000**	**$32,964,073**	**$43,220,000**
Non-Oper Exp (Inc.)	$7,672,856	$1,402,888	$1,228,696	$3,524,689	$3,000,000	$9,156,273	$13,000,000
Income before Tax	**$6,144,757**	**$4,779,165**	**$6,226,523**	**$6,005,112**	**$6,797,000**	**$23,807,800**	**$30,220,000**
Taxes	$2,922,253	$1,360,054	$2,366,816	$1,636,266	$2,000,000	$7,363,136	$8,159,400
Less Non-Controlling Int	$174,134	$120,921	$126,363	$24,936	$50,000	$322,220	$500,000
Net Attributable to CREG	**$3,406,995**	**$3,298,190**	**$3,733,344**	**$4,393,782**	**$4,747,000**	**$16,172,316**	**$21,560,600**
Currency Gain (Loss)	$280,392	$337,108	$2,101,580	$949,680	$1,000,000	$4,388,368	$3,000,000
Comprehensive Income	**$3,502,896**	**$3,756,219**	**$5,961,267**	**$5,318,526**	**$5,747,000**	**$20,783,012**	**$24,560,600**
Weighted Shares Outstanding	51,037,255	50,945,906	50,770,461	54,942,648	56,500,000	56,500,000	58,000,000
EPS (non-GAAP)	**$0.07**	**$0.07**	**$0.07**	**$0.08**	**$0.10**	**$0.32**	**$0.42**

Recent Trading History For CREG

(Source: Stockta.com)

Senior Analyst: Robert Goldman

Rob Goldman founded Goldman Small Cap Research in 2009 and has over 20 years of investment and company research experience as a senior research analyst and as a portfolio and mutual fund manager. During his tenure as a sell side analyst, Rob was a senior member of Piper Jaffray's Technology and Communications teams. Prior to joining Piper, Rob led Josephthal & Co.'s Washington-based Emerging Growth Research Group. In addition to his sell-side experience Rob served as Chief Investment Officer of a boutique investment management firm and Blue and White Investment Management, where he managed Small Cap Growth portfolios and *The Blue and White Fund*.

Analyst Certification

I, Robert Goldman, hereby certify that the view expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the recommendations or views expressed in this research report.

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