

SCHWARZMAN STEPHEN A
 Form 4
 August 31, 2012

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

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).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 SCHWARZMAN STEPHEN A

(Last) (First) (Middle)

C/O THE BLACKSTONE GROUP, 345 PARK AVENUE

(Street)

NEW YORK, NY 10154

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 Blackstone Group L.P. [BX]

3. Date of Earliest Transaction
 (Month/Day/Year)
 06/30/2012

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
 Chairman and CEO

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 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 Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Amount (D) Price		

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

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SEC 1474 (9-02)

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

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities Acquired (A) or Disposed of (D)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Underlying Security (Instr. 3 and 4)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8) Code	(Instr. 3, 4, and 5) V (A) (D)	Date Exercisable	Expiration Date	Title
Blackstone Holdings Partnership units ⁽¹⁾	<u>(1)</u>	06/27/2012	G ⁽²⁾	V 1,474,482	<u>(1)</u>	<u>(1)</u>	Common units representing limited partnership units
Blackstone Holdings Partnership units ⁽¹⁾	<u>(1)</u>	06/27/2012	G ⁽²⁾	V 1,474,482	<u>(1)</u>	<u>(1)</u>	Common units representing limited partnership units
Blackstone Holdings Partnership units ⁽¹⁾	<u>(1)</u>	06/30/2012	S ⁽⁶⁾	1,474,482	<u>(1)</u>	<u>(1)</u>	Common units representing limited partnership units
Blackstone Holdings Partnership units ⁽¹⁾	<u>(1)</u>	06/30/2012	P ⁽⁶⁾	1,474,482	<u>(1)</u>	<u>(1)</u>	Common units representing limited partnership units
Blackstone Holdings Partnership units ⁽¹⁾	<u>(1)</u>				<u>(1)</u>	<u>(1)</u>	Common units representing limited partnership units

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SCHWARZMAN STEPHEN A C/O THE BLACKSTONE GROUP 345 PARK AVENUE NEW YORK, NY 10154	X	X	Chairman and CEO	

Signatures

/s/ John G. Finley,
Attorney-in-Fact

08/31/2012

__Signature of Reporting Person

Date

Explanation of Responses:

- * 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).

A "Blackstone Holdings partnership" unit collectively refers to one limited partner interest in each of Blackstone Holdings I L.P., Blackstone Holdings II L.P., Blackstone Holdings III L.P. and Blackstone Holdings IV L.P. Subject to the minimum retained ownership requirements and transfer restrictions set forth in the partnership agreements of the Blackstone partnerships, the holder has the right, exercisable from time to time, to exchange each Blackstone Holdings partnership unit for one common unit of The Blackstone Group L.P. The Blackstone Holdings partnership units have no expiration date and are not exchangeable prior to December 31, 2012 other than pursuant to transactions or programs approved by Blackstone.
- (1) Such Blackstone Holdings partnership units were previously held in a number of Grantor Retained Annuity Trusts, for which the Reporting Person or certain family members served as investment trustee and were transferred to a number of trusts, for which the beneficiaries are various descendants of the Reporting Person, and for which the Reporting Person is the investment trustee in accordance with the terms of the Grantor Retained Annuity Trusts.
- (2) Reflects certain transfers made between a number of Grantor Retained Annuity Trusts and the Reporting Person during 2011 and 2012. Such transfers were exempt from reporting pursuant to Rule 16a-13 under the Securities Exchange Act of 1934 (the "Exchange Act").
- (3) Such Blackstone Holdings partnership units are held in a number of Grantor Retained Annuity Trusts, for which the Reporting Person or certain family members serve as investment trustee.
- (4) Such Blackstone Holdings partnership units are held in a number of trusts, for which the beneficiaries are various descendants of the Reporting Person, and for which the Reporting Person is the investment trustee.
- (5) Reflects a transfer from a number of trusts for which the beneficiaries are various descendants of the Reporting Person, to the Reporting Person.
- (6) Includes Blackstone Holdings partnership units previously reported as held through a limited liability company in which the Reporting Person is a member and Blackstone Holdings partnership units previously reported as held through a corporation in which the Reporting Person is a controlling shareholder.
- (7) Such Blackstone Holdings partnership units are held in a corporation in which the Reporting Person is a controlling shareholder. Does not include 435,916 Blackstone Holdings partnership units previously reported as held by a corporation in which the Reporting Person is a controlling shareholder, which units are now reported as directly held.
- (8)

Remarks:

Pursuant to Rule 16a-1(a)(4) under the Exchange Act, the Reporting Person states that this filing shall not be an admission that
Exhibit List: Exhibit 24 - Power of Attorney

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.