

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K  
CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) March 25, 2003

LSB INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

Delaware  
(State or other  
jurisdiction of  
incorporation)

1-7677  
(Commission File  
Number)

73-1015226  
(IRS Employer  
Identification No.)

16 South Pennsylvania Avenue, Oklahoma City, Oklahoma  
(Address of principal executive offices)

73107  
(Zip Code)

Registrant's telephone number, including area code (405) 235-4546

Not applicable

(Former name or former address, if changed since last report)

Item 5. Other Exhibits and Regulation FD Disclosure.

Effective March 25, 2003, LSB Industries, Inc. (the "Company") completed a private placement to Jayhawk Institutional Partners, L.P. ("Jayhawk") of 450,000 shares of the Company's common stock and a five year warrant to purchase up to 112,500 share of the Company's common stock, subject to anti-dilution adjustments under certain conditions. The total price paid by Jayhawk to the Company for the shares of common stock and the warrant was \$1,570,500. The per share exercise price under the warrant is \$3.49. Jayhawk has certain registration rights. The Company's press release is attached hereto as an exhibit.

Item 7. Financial Statements and Exhibits.

(c) Exhibits.

99.1 Registration Rights Agreement, dated March 25, 2003, among LSB Industries, Inc., Kent C. McCarthy, Jayhawk Capital Management, L.L.C., Jayhawk Investments, L.P. and Jayhawk Institutional Partners, L.P., which is hereby incorporated by reference from Exhibit 10.49 to the Company's Form 10-K for the year ended December 31, 2002, filed on April 2, 2003.

99.2 Subscription Agreement, dated March 25, 2003, by and between LSB Industries, Inc. and Jayhawk Institutional Partners, L.P., which is hereby incorporated by reference from Exhibit 10.50 to the Company's Form 10-K for the year ended December 31, 2002, filed on April 2, 2003.

99.3 Warrant Agreement, dated March 25, 2003, between LSB Industries, Inc. and Jayhawk Institutional Partners, L.P., which is hereby incorporated by reference from Exhibit 10.51 to the Company's Form 10-K for the year ended December 31, 2002, filed on April 2, 2003.

99.4 Press Release, dated March 31, 2003.

**SIGNATURES**

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 hereunto duly authorized.

Dated: April 4, 2003.

LSB INDUSTRIES, INC.

By: /s/ Tony M. Shelby

Tony M. Shelby,  
Senior Vice President and  
(Chief Financial Officer)

9:9:

**LSB Industries, Inc. Completes Private Placement**

Monday March 31

OKLAHOMA CITY -- LSB Industries, Inc. (OTC Bulletin Board: ; the "Company") announced today that it completed a transaction with Jayhawk Institutional Partners, L.P., in which Jayhawk purchased from the Company, in a private placement transaction, 450,000 shares of the Company's common stock and a five year warrant to purchase up to 112,500 shares of the Company's common stock, subject to anti-dilution adjustments under certain conditions. The total price paid by Jayhawk to the Company for the shares of common stock and the warrant was \$1,570,500. The average closing price of the Company's common stock over the 30 day period prior to the transaction was \$3.49. If Jayhawk exercises the warrant, the warrant price per share of common stock so purchased would be \$3.49 a share. Jayhawk has certain registration rights.

Prior to the completion of this transaction and based on information provided to the Company by Jayhawk, Jayhawk and its affiliates beneficially owned 798,500 shares of the Company's common stock and 323,650 shares of the Company's \$3.25 convertible exchangeable class C preferred stock ("\$3.25 Preferred"). The shares of \$3.25 Preferred beneficially owned by Jayhawk and its affiliates are convertible into 1,401,081 shares of the Company's common stock.

Immediately prior to the closing of this transaction, the Company had issued and outstanding 11,970,688 shares of common stock and 623,550 shares of \$3.25 Preferred.

LSB is a manufacturing, marketing, and engineering company with activities on a worldwide basis. LSB's principal business activities consist of the manufacture and sale of chemical products for the mining, agricultural and industrial markets, the manufacture and sale of commercial and residential climate control products, the provision of specialized engineering services, and other activities.