# SEC Form 4

## FORM 4

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

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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[*]<br><br>**JAYHAWK CAPITAL MANAGEMENT LLC**<br><br>(Last)     (First)     (Middle)<br><br>**8201 MISSION ROAD**<br>**SUITE 110**<br>(Street)<br><br>**PRAIRIE VILLAGE**     **KS**     **66208**<br>(City)     (State)     (Zip) | 2. Issuer Name **and** Ticker or Trading Symbol<br>**LSB INDUSTRIES INC** [ LSBD ]<br><br>3. Date of Earliest Transaction (Month/Day/Year)<br>03/31/2005<br><br>4. If Amendment, Date of Original Filed (Month/Day/Year) |

5. Relationship of Reporting Person(s) to Issuer (Check all applicable)

| | | | |
|---|---|---|---|
| | Director | X | 10% Owner |
| | Officer (give title below) | | Other (specify below) |

6. Individual or Joint/Group Filing (Check Applicable Line)

X  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 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 | Amount or Number of Shares | | | | |
| Class C Preferred Series 2 | $0[1] | 03/31/2005 | | P | | 20,000 | | 03/31/2005 | [4] | Common Stock | 86,580 | $50 | 265,150[2] | I | By Jayhawk Investment, L.P. and Jayhawk Institutional Partners, L.P.[3] |

**Explanation of Responses:**

1. Each share of Class C Preferred Series 2 Stock is convertible into 4.329 shares of Common Stock.

2. Of this amount, the reporting person is the indirect beneficial owner of 159,500 shares of Class C Preferred Stock Series 2 directly owned by Jayhawk Institutional Partners, L.P. and 105,600 shares of Class C Preferred Stock Series 2 directly owned by Jayhawk Investments, L.P.

3. The reporting person is the indirect beneficial owner of 159,550 shares of Class C Preferred Stock Series 2 directly owned by Jayhawk Institutional Partners, L.P. and 105,600 shares of Class C Preferred Stock Series 2 directly owned by Jayhawk Investments, L.P.

4. Does Not Expire

| | |
|---|---|
| /S/ Kent C. McCarthy | 04/04/2005 |
| ** 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.**