

<p><b>FORM 5</b></p> <p><input type="checkbox"/> Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).</p> <p><input type="checkbox"/> Form 3 Holdings Reported</p> <p><input checked="" type="checkbox"/> Form 4 Transactions Reported</p>	<p><b>UNITED STATES SECURITIES AND EXCHANGE COMMISSION</b> Washington, D.C. 20549</p> <p><b>ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP</b></p> <p>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(f) of the Investment Company Act of 1940</p>	<p>OMB APPROVAL</p> <hr/> <p>OMB Number: 3235-0362 Expires: January 31, 2005 Estimated average burden hours per response. . . . 1.0</p>
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<p>1. Name and Address of Reporting Person* <b>Jayhawk Institutional Partners, L.P.</b></p> <p>(Last) (First) (Middle)</p> <p><b>8201 Mission Road</b> <b>Suite 110</b></p> <p>(Street)</p> <p><b>Prairie Village, KS 66208</b></p> <p>(City) (State) (Zip)</p>	<p>2. Issuer Name and Ticker or Trading Symbol</p> <p><b>LSB Industries, Inc.</b> <b>LSBD</b></p> <p>3. I.R.S. Identification Number of Reporting Person, if an entity (voluntary)</p>	<p>4. Statement for Month/Year</p> <p><b>12/31/2002</b></p> <p>5. If Amendment, Date of Original (Month/Year)</p>	<p>6. Relationship of Reporting Person(s) to Issuer (Check all applicable)</p> <p><input type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner <input type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below)</p> <p>Description</p> <p>7. Individual or Joint/Group Filing (Check Applicable Line)</p> <p><input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person</p>
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**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 at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				Amount / A/D / Price			
Common Stock	01/22/2002		S 4	4,800 / D / 2.848		D	
Common Stock	01/24/2002		S 4	10,000 / D / 2.899		D	
Common Stock	01/25/2002		S 4	1,600 / D / 2.844		D	
Common Stock	01/31/2002		S 4	4,000 / D / 2.847		D	
Common Stock	02/01/2002		S 4	1,000 / D / 2.84		D	
Common Stock	02/04/2002		S 4	7,400 / D / 2.849		D	
Common Stock	08/13/2002		S 4	1,900 / D / 3.10		D	
Common Stock	09/17/2002		S 4	600 / D / 3.08		D	
Common Stock	10/31/2002		S 4	200,000 / D / 2.80	597,500	D	

**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(DE) and Expiration Date(ED) (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr.5)	9. Number of Derivative Securities Beneficially Owned at End of Year Reported Transaction(s) (Instr.4)	10. Ownership Form of Derivative Securities: Direct (D) or Indirect (I) (Instr.4)	11. Nature of Indirect Beneficial Ownership (Instr.4)
					A or D	DE / ED	Title / Amount or Number of Shares				
Class C Preferred Series 2	4.329	05/01/2002		P4	109,550 A	/	Common Stock / 474,241.95	\$18.25		D	
Class C Preferred Series 2	4.329	06/01/2002		P4	50,000 A	/	Common Stock / 216,450	\$22.50	159,550	D	

Explanation of Responses:

Jayhawk Institutional Partners, L.P.  
By: Jayhawk Capital Management, L.L.C., its general partner

By:  
/s/ Kent C. McCarthy  
Kent C. McCarthy, Manager

Date:  
03/27/2003

\*\* Signature of Reporting Person

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.

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.