

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden	
hours per response:	0.5

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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* <u>MCCARTHY KENT C</u>  (Last) (First) (Middle) 8201 MISSION ROAD SUITE 110  (Street) PRAIRIE VILLAGE KS 66208  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>LSB INDUSTRIES INC [ LXU ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)  Director <input checked="" type="checkbox"/> 10% Owner  Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) 03/14/2006	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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			
Common Stock	03/14/2006		P		5,000	A	\$6.35	1,116,000	I	By Jayhawk Institutional Partners, L.P.
Common Stock	03/15/2006		P		8,700	A	\$6.4267	1,124,700	I	By Jayhawk Institutional Partners, L.P.

**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				
7% Convertible Senior Subordinated Debentures	\$0 <sup>(1)</sup>	03/14/2006		P		1,000,000 <sup>(2)</sup>		03/14/2006	03/01/2011	Common Stock	125,000 <sup>(3)</sup>	\$1,000,000	\$1,000,000	I	By Jayhawk Institutional Partners, L.P.
Class C Preferred Series 2	\$0 <sup>(4)</sup>	03/14/2006		P		200		03/14/2006	(5)	Common Stock	865.8	\$57	328,750	I	By Jayhawk Investments, L.P. and Jayhawk Institutional Partners, L.P. <sup>(6)</sup>
Class C Preferred Series 2	\$0 <sup>(4)</sup>	03/15/2006		P		100		03/15/2006	(5)	Common Stock	432.9	\$58	328,850	I	By Jayhawk Investments, L.P. and Jayhawk Institutional Partners, L.P. <sup>(6)</sup>

**Explanation of Responses:**

- The conversion price for the 7% Convertible Senior Subordinated Debentures shall be: (i) for the period beginning March 14, 2006 and ending August 31, 2006, \$8.00 per share; (ii) for the period beginning September 1, 2006 and ending February 28, 2007, \$7.08 per share; (iii) for the period beginning March 1, 2007 and ending August 31, 2007, \$7.09 per share; (iv) for the period beginning September 1, 2007 and ending February 29, 2008, \$7.28 per share; (v) for the period beginning March 1, 2008 and ending August 31, 2008, \$7.50 per share; (vi) for the period beginning September 1, 2008 and ending February 28, 2009, \$7.74 per share; and (vii) for the period beginning March 1, 2009 and ending February 28, 2011, \$8.00 per share.
- On March 14, 2006, Jayhawk Institutional Partners, L.P. purchased 7% Convertible Senior Subordinated Debentures in the principal amount of \$1,000,000.
- The number of shares of Common Stock is equal to the principal amount stated in footnote 2 divided by the conversion price then in effect.
- Each share of Class C Preferred Series 2 Stock is convertible into 4.329 shares of Common Stock.
- Does not expire.
- As of March 15, 2006, the reporting person is the indirect beneficial owner of 168,550 shares of Class C Preferred Series 2 Stock directly owned by Jayhawk Institutional Partners, L.P. and 136,500 shares of Class C Preferred Series 2 Stock directly owned by Jayhawk Investments, L.P.

Kent C. McCarthy

03/16/2006

\*\* 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.

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