

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) August 10, 2004

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 7. Exhibits

(c) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press release dated August 10, 2004

Item 12. Results of Operations and Financial Condition.

On August 10, 2004, LSB Industries, Inc. (the "Company") issued a press release to report its financial results for the quarter ended June 30, 2004. The press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information in this Form 8-K and the Exhibit attached hereto is being furnished under Item 12 and shall not be deemed "filed" for purposes of Section 18 of the Securities Act of 1934 (as amended), or otherwise subject to the liabilities of such section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 (as amended), except as shall be expressly set forth by specific reference in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LSB INDUSTRIES, INC.

By: /s/ Tony M. Shelby
Tony M. Shelby,
Executive Vice President and
(Chief Financial Officer)

COMPANY CONTACT: Tony M. Shelby
Chief Financial Officer
(405) 235-4546

KCSA CONTACT: Leslie A. Schupak/Joe Mansi
(212) 682-6300, ext. 205/207

August 10, 2004

AMEX: LXU

**LSB INDUSTRIES, INC. REPORTS RESULTS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2004**

Oklahoma City, Oklahoma . . . August 10, 2004 . . . LSB Industries, Inc. (AMEX:LXU), reported net income of \$1.7 million for the three months ended June 30, 2004.

Results for three months

Net sales for the three months ended June 30, 2004 and 2003 were \$104.1 million and \$90.0 million, respectively, an increase of \$14.1 million.

For the three months ended June 30, 2004, the Company reported net income of \$1.7 million, after deducting:

\$.6 million due to the consolidation of a French manufacturer of HVAC equipment, and

\$1.0 million for professional fees and other costs relating to a proposed unregistered offering of Senior Secured Notes which was terminated in June 2004.

LSB holds an option to acquire the stock of the French company. The French company is considered by current GAAP to be a variable interest entity and is required to be consolidated by LSB at March 31, 2004.

After deducting \$.6 million for preferred stock dividend requirements, which were not paid, net income applicable to common stock was \$1.1 million, or \$.08 per share fully diluted for the three months ended June 30, 2004.

For the three months ended June 30, 2003, net income was \$2.6 million. After deducting preferred stock dividend requirements which were not paid, net income applicable to common stock was \$2.0 million, or \$.13 per share fully diluted.

Results for six months

For the six months ended June 30, 2004, the Company reported net income of \$1.6 million after deducting:

\$1.1 million due to the consolidation of the French company, and

\$1.0 million for professional fees and other costs relating to a proposed ; unregistered offering of Senior Secured Notes which was terminated in June 2004.

After deducting \$1.1 million for dividend requirements on outstanding preferred stocks which were not paid, net income applicable to common stock for 2004 was \$.5 million, or \$.03 per share, compared to a net loss applicable to common stock for the same period last year of \$.4 million, or \$.03 per share.

For the six months ended June 30, 2003, net income was \$.7 million.

Comments by Company President, Barry Golsen

Commenting on the second quarter results, President Barry Golsen stated:

"Our Chemical business improved both revenues and operating profit for the second quarter over last year. The Chemical Business improved its performance despite a lower than expected agricultural season, due to heavy rains during June in our primary market area, and an oversupply of nitrogen products in the market caused by an unexpected increase in imports over last years level.

Results in our Climate Control Business were reduced by \$.6 million due to a GAAP accounting change which required us to consolidate the results of a French manufacturer of HVAC equipment that LSB holds an option to acquire. Other than this change, the Climate Control Business' results of operations were about the same as last year. New orders for our Climate Control's US operations were strong during the second quarter, up approximately 36% over last year. Year-to-date through June 30 new orders were up 21% over last year."

The Company is a manufacturing, marketing, and engineering company with activities on a world wide basis. The Company's principal business activities consist of the manufacture and sale of commercial and residential climate control products, the manufacture and sale of chemical products for the mining, agricultural and industrial markets, the provision of specialized engineering services, and other activities. The Company's common stock is listed on the AMEX under the symbol LXU and the Series 2 preferred stock is listed for trading on the Over the Counter Bulletin Board under the symbol LSBPD.

**LSB Industries, Inc.
Financial Highlights
Six Months and Three Months Ended June 30, 2004 and 2003
(unaudited)**

	Six Months Ended June 30,		Three Months Ended June 30,	
	2004	2003	2004	2003
Net sales (Note 9)	\$ 187,906	\$ 161,486	\$ 104,114	\$ 89,976
Cost of sales	160,451	138,387	87,620	76,344
Gross profit	<u>27,455</u>	<u>23,099</u>	<u>16,494</u>	<u>13,632</u>
Selling, general and administrative expenses	25,334	20,441	14,212	10,423
Operating income	<u>2,121</u>	<u>2,658</u>	<u>2,282</u>	<u>3,209</u>
Other income (expense):				
Other income (Note 5)	3,098	1,185	1,002	829

Interest expense	(2,760)	(2,845)	(1,462)	(1,420)
Other expense	(311)	(269)	(96)	(64)
Income before provision for income taxes and cumulative effect of accounting change	2,148	729	1,726	2,554
Provision for income taxes	4	-	-	-
Income before cumulative effect of accounting change	2,144	729	1,726	2,554
Cumulative effect of accounting change (Note 9)	(536)	-	-	-
Net income	\$ 1,608	\$ 729	\$ 1,726	\$ 2,554
Net income (loss) applicable to common stock	\$ 474	\$ (405)	\$ 1,159	\$ 1,987
Income (loss) per common share (Note 3):				
Basic:				
Income (loss) before cumulative effect of accounting change	\$.08	\$ (.03)	\$.09	\$.16
Cumulative effect of accounting change	(.04)	-	-	-
Net income (loss)	\$.04	\$ (.03)	\$.09	\$.16
Diluted:				
Income (loss) before cumulative effect of accounting change	\$.06	\$ (.03)	\$.08	\$.13
Cumulative effect of accounting change	(.03)	-	-	-
Net income (loss)	\$.03	\$ (.03)	\$.08	\$.13

(See accompanying notes)

LSB Industries, Inc.
Notes to Unaudited Financial Highlights
Six Months and Three Months Ended June 30, 2004 and 2003
(unaudited)

Note 1: Certain reclassifications have been made to the Financial Highlights for 2003 to conform to the Financial Highlights presentation for 2004.

Note 2: During the first quarter of 2004, we recognized a gain of \$1.8 million (which is classified as other income in the accompanying Financial Highlights) from the sale of certain assets purchased in 2003.

Note 3: Effective March 31, 2004, we are required under FASB Interpretation No. 46 "Consolidation of Variable Interest Entities", to consolidate the assets, liabilities and results of operations of the parent company of a French manufacturer of HVAC equipment in our consolidated financial statements from March 31, 2004 forward. As a result:

we recorded a cumulative effect of accounting change of \$.5 million and,

we included in our operating results for the six months and three months ended June 30, 2004, net sales of \$3.8 million and an operating loss of \$.6 million of the parent company of the French manufacturer.

Note 4: Net income (loss) applicable to common stock is computed by adjusting net income (loss) by the amount of preferred stock dividends. Basic net income (loss) per common share is based upon net income (loss) applicable to common stock and the weighted average number of common shares outstanding during each period. All potential dilutive securities are antidilutive for all periods presented.

Note 5: Information about the Company's operations in different industry segments for the six months and three months ended June 30, 2004 and 2003, is detailed on the following page.

LSB INDUSTRIES, INC.
Notes to Unaudited Financial Highlights
Six Months and Three Months Ended June 30, 2004 and 2003
(Unaudited)

	Six Months Ended		Three Months Ended	
	June 30,	June 30,	June 30,	June 30,
	2004	2003	2004	2003
	(In thousands)			
Net sales:				
<u>Climate Control (1)</u>	\$ 69,982	\$ 58,637	\$ 38,433	\$ 31,085
<u>Chemical</u>	115,099	100,546	63,853	57,820
<u>Other</u>	2,825	2,303	1,828	1,071
	\$ 187,906	\$ 161,486	\$ 104,114	\$ 89,976
Gross profit: (2)				
<u>Climate Control (1)</u>	\$ 21,920	\$ 18,218	\$ 11,686	\$ 9,875
<u>Chemical</u>	4,735	4,073	4,337	3,378
<u>Other</u>	800	808	471	379
	\$ 27,455	\$ 23,099	\$ 16,494	\$ 13,632

Operating profit (loss): (3)

<u>Climate Control (1)</u>	\$ 7,035	\$ 6,281	\$ 3,337	\$ 4,008
<u>Chemical (4)</u>	2,239	(112)	2,230	1,278
	<u>9,274</u>	<u>6,169</u>	<u>5,567</u>	<u>5,286</u>
<u>General corporate expenses and other business operations, net (5)</u>	(4,366)	(2,595)	(2,379)	(1,312)
<u>Interest expense</u>	(2,760)	(2,845)	(1,462)	(1,420)
<u>Income before provision for income taxes and cumulative effect of accounting change</u>	\$ 2,148	\$ 729	\$ 1,726	\$ 2,554

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