



## **LSB Industries, Inc. Provides Operational Update on Its El Dorado, Arkansas and Pryor, Oklahoma Facilities**

June 12, 2018

OKLAHOMA CITY--(BUSINESS WIRE)--Jun. 12, 2018-- LSB Industries, Inc. (NYSE:LXU) ("LSB" or "the Company") today announced that the ammonia plant at its El Dorado, Arkansas chemical facility ("El Dorado Facility" or "El Dorado") was taken out of service on June 4, 2018 after a power failure at the facility. Since that time, LSB management has been involved in the process of assessing the extent of the necessary repairs and has determined that the power outage resulted in tube failures in the ammonia plant's boiler. LSB management estimates that these repairs will be completed, and ammonia production will resume, by the last week of June 2018. Management estimates the total impact to EBITDA in the second quarter of 2018 resulting from unplanned repair expenses, reduced absorption of fixed costs relating to the downtime and lost sales will be approximately \$10.0 million to \$11.0 million.

While El Dorado's ammonia plant is out of service, the company has elected to pull forward work previously planned for the September 2018 Turnaround, which will further shorten the planned Turnaround in the third quarter to five days, from the previously revised twelve days, resulting in additional third quarter production and reduced Turnaround expense.

Additionally, the ammonia plant at LSB's Pryor, Oklahoma chemical facility ("Pryor Facility" or "Pryor") was taken out of service for short periods at multiple points during the quarter to repair leaks to the waste heat boiler. Management estimates the second quarter EBITDA impact from the downtime at Pryor to be approximately \$3.0 million to \$4.0 million.

### **About LSB Industries, Inc.**

LSB Industries, Inc., headquartered in Oklahoma City, Oklahoma, manufactures and sells chemical products for the agricultural, mining, and industrial markets. The Company owns and operates facilities in Cherokee, Alabama, El Dorado, Arkansas and Pryor, Oklahoma, and operates a facility for a global chemical company in Baytown, Texas. LSB's products are sold through distributors and directly to end customers throughout the United States. Additional information about the Company can be found on its website at [www.lsbindustries.com](http://www.lsbindustries.com).

### **Forward Looking Statement**

This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally are identifiable by use of the words "may," "believe," "expect," "intend," "plan to," "estimate," "project" or similar expressions, and include but are not limited to: enhanced reliability at our Facilities; reducing costs; expanding into new markets; reducing leverage and completing repairs on time and as estimated.

Investors are cautioned that such forward-looking statements are not guarantees of future performance and involve risk and uncertainties. Though we believe that expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Actual results may differ materially from the forward-looking statements as a result of various factors. These and other risk factors are discussed in the Company's filings with the Securities and Exchange Commission (SEC), including those set forth under "Risk Factors" and "Special Note Regarding Forward-Looking Statements" in our Form 10-K for the year ended December 31, 2017 and, if applicable, our Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K. All forward-looking statements included in this press release are expressly qualified in their entirety by such cautionary statements. We expressly disclaim any obligation to update, amend or clarify and forward-looking statement to reflect events, new information or circumstances occurring after the date of this press release except as required by applicable law.

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