



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

November 25, 2019

OKLAHOMA CITY--(BUSINESS WIRE)--Nov. 25, 2019-- LSB Industries, Inc. (NYSE: LXU) ("LSB" or the "Company") today announced that the ammonia plant at its Pryor, Oklahoma chemical facility ("Pryor Facility" or "Pryor") returned to service and resumed production on November 13, 2019 after the completion of its turnaround as startup took approximately 15 days longer relative to previously articulated expectations. As part of this extensive turnaround at Pryor, the Company installed a new urea reactor which is currently being brought online and undergoing adjustments to optimize performance.

Additionally, the ammonia plant at the Company's El Dorado, Arkansas facility ("El Dorado Facility" or "El Dorado") resumed production on November 19, 2019 after being taken out of service on November 3, 2019 in order to make adjustments that improved the production volume of its ammonia plant.

Management estimates that the additional downtime at both Pryor and El Dorado will have an impact of approximately \$8.0 million - \$9.0 million on adjusted EBITDA⁽¹⁾ for the fourth quarter of 2019 as compared to the outlook that management discussed as part of its third quarter earnings announcement.

Mark Behrman, LSB's President and CEO, stated, "We are pleased to have completed our work and resumed production at Pryor, following the most extensive turnaround at the facility in our history of operating it. At El Dorado, we took advantage of the low ammonia price environment to fine tune the plant in order to achieve better performance headed into 2020. We expect the upgrades we've made to both facilities to result in improved reliability and production volume. Importantly, we do not have another scheduled turnaround at Pryor until the third quarter of 2021 and El Dorado until the third quarter of 2022, which should position us well for strong financial results going forward."

⁽¹⁾ EBITDA is a non-GAAP measure. The Company has not reconciled the impact on adjusted EBITDA to the impact on GAAP net income (loss) because the reconciling items between adjusted EBITDA and GAAP net income (loss), as a result of the uncertainty regarding, and the potential variability of, certain of these items including expected price and volumes as well as estimated costs. Accordingly, a reconciliation to the corresponding GAAP measure is not available without unreasonable effort.

LSB Industries, Inc.

LSB Industries, Inc., headquartered in Oklahoma City, Oklahoma, manufactures and sells chemical products for the agricultural, industrial, and mining 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.

Forward-Looking Statements

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: plant reliability; improved production volume; and strong financial performance.

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 expectation 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, 2018 and, if applicable, 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 any 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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