



LSB Industries, Inc. Announces New 7 Year Nitric Acid Contract

October 8, 2020

OKLAHOMA CITY--(BUSINESS WIRE)--Oct. 8, 2020-- LSB Industries, Inc. ("LSB"), (NYSE: LXU), today announced that it has signed a new long term nitric acid supply contract with a customer. Under the agreement, LSB will supply between 70,000 to 100,000 tons of nitric acid per year. Sales are expected to begin in the first quarter of 2021.

"We are very pleased to have been chosen as key long-term supplier of nitric acid to an important customer," stated Mark Behrman, LSB's President and Chief Executive Officer. "Notably, his contract advances one of our key operating initiatives to leverage our underutilized nitric acid production capacity at our El Dorado facility. This contract, along with the previously released CO2 and LDAN agreements, is the result of our focused marketing efforts to sell our excess production capacity and change product mix in order to enhance our margins. We expect these agreements, when combined with the impact of a new fertilizer storage facility that we completed construction on in April, will provide a meaningful increase in incremental annual EBITDA when fully implemented."

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.

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.

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, 2019, our Form 10-Q for the first quarter of 2020 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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