



## **LSB Industries, Inc. Announces Conclusion of Insurance Claim**

October 25, 2013

OKLAHOMA CITY--(BUSINESS WIRE)--Oct. 25, 2013-- LSB Industries, Inc. (the "Company") (NYSE:LXU) previously reported that the Company filed an insurance claim for losses and damages in connection with the May 15, 2012, explosion of a reactor in the 98% strength nitric acid plant at the Company's chemical facility located in El Dorado, Arkansas. The Company's insurance carriers previously paid \$60 million on the claim. Effective October 23, 2013, the Company settled the claim with its insurance carriers for the aggregate amount of \$113 million, comprised of \$60 million previously paid to the Company and \$53 million to be paid to the Company within 30 days from October 23, 2013. The \$113 million settlement amount is net of the Company's \$1 million insurance deductible.

This insurance claim conclusion does not include the pending insurance claim regarding a pipe rupture that occurred in November, 2012 at our Cherokee, Alabama location. The Cherokee plant insurance claim is currently being adjusted by the Company's insurers.

LSB is a manufacturing and marketing company. LSB's principal business activities consist of the manufacture and sale of chemical products for the agricultural, mining, and industrial markets, and the manufacture and sale of commercial and residential climate control products, such as geothermal and water source heat pumps, hydronic fan coils and modular geothermal chillers, and large custom air handlers.

*This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Act of 1995. These forward-looking statements include, but are not limited to, the payment by insurers of amounts owed under the payment agreement. Investors are cautioned that such forward-looking statements are not guarantees of future performance and involve risk and uncertainties, and that actual results may differ materially from the forward-looking statements.*

Source: LSB Industries, Inc.

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