



LSB Industries, Inc. Announces That Its El Dorado, Arkansas Facility Resumes Nitric Acid Production

November 22, 2016

OKLAHOMA CITY--(BUSINESS WIRE)--Nov. 22, 2016-- LSB Industries, Inc. (NYSE:LXU) ("LSB" or the "Company") today announced that it resumed production of nitric acid at its El Dorado, Arkansas chemical facility ("El Dorado facility" or "El Dorado") on November 16, 2016 following the completion of a temporary nitrous oxide bypass system, and the receipt of required permitting from state regulators. The work was completed to remedy a previously disclosed leak in the nitrous oxide abatement vessel of El Dorado's new nitric acid plant. As previously disclosed, the Company plans to install a new permanent nitrous oxide abatement vessel that management anticipates will be completed in late 2017. In the meantime, the temporary solution is expected to enable El Dorado's nitric acid plant to operate at targeted capacity on an ongoing basis.

During the nitric acid plant's recent downtime, customer orders were satisfied utilizing product shipped from LSB's other facilities with minimal financial impact. Expenses related to the construction of the temporary bypass system were recognized in the third and fourth quarters of 2016, which the Company expects to recoup, along with costs related to the installation of the new nitrous oxide abatement vessel, under the warranty provisions of the original nitrous acid plant construction contract.

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 Statement

This press release includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally are identified by use of the words "will", "believes", "expects", "estimates", "intends", "anticipates", "plans to", "should", "estimates", "projects", or similar expressions, including, without limitation, impact of reduced production, lost fixed cost absorption and repair expenses to third and fourth quarters 2016 EBITDA; impact of lower sales from lower beginning inventory, reduced production, identification and completion of repairs and upgrades to deliver improved financial performance; and improvement of on-stream rates, translating into greater revenue and profit in the coming quarters.

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, 2015 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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