## FORM 4

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, [	D.C. 20549
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Check this box if no longer subject to	STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP
Section 16. Form 4 or Form 5	
obligations may continue. See	
Instruction 1(b).	Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934

**OMB APPROVAL** OMB Number: Estimated average burden hours per response: 0.5

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person*  MCCARTHY KENT C					2. Issuer Name and Ticker or Trading Symbol LSB INDUSTRIES INC [ LXU ]								Relationship heck all app Direc	licable)	g Pers X	10% Ov	) to Issuer .0% Owner Other (specify	
	(Last) (First) (Middle) 8201 MISSION ROAD SUITE 110						3. Date of Earliest Transaction (Month/Day/Year) 01/04/2006							(g		below)		
(Street) PRAIRIE VILLAG	K'	S	66208	4	4. If Amendment, Date of Original Filed (Month/Day/Year)							ne) X Form Form	al or Joint/Group Filing (Check Applicable form filed by One Reporting Person form filed by More than One Reporting ferson					
(City)	(S		(Zip)	Derivation	10 Sc	curiti	os A	cauired	Die	nosed	of or B	eneficia	ully Owne	d				
1. Title of Security (Instr. 3) 2. To Date			2. Transactic Date Month/Day/	Execution Date, Day/Year) if any		2A. Deemed Execution Date,		ction nstr.	4. Secu	rities Acqui ed Of (D) (Ir	red (A) or	5. Amo Securit Benefic Owned	unt of ies cially Following	Form:	Direct Indirect str. 4)	7. Nature of Indirect Beneficial Ownership		
							Code	v	Amount	(A) (D)	or Price		ted action(s) 3 and 4)			(Instr. 4)		
		٦	able II - D (e					quired, D s, option										
1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	conversion   Date   Execution Date,   Tran   Code   Trice of   Petrivative   Code   Co				ansaction of E			6. Date Exercisable and Expiration Date (Month/Day/Year)			d of s g e Security nd 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction (Instr. 4)	Ownership Form: Direct (D) or Indirect (I) (Instr. 4	Ownership Form: Direct (D) or Indirect	Beneficial Ownership (Instr. 4)	
				Code	e V	(A)	(D)	Date Exercisable		xpiration ate	Title	Amount or Number of Shares						
Class C Preferred Series 2	\$0 <sup>(1)</sup>	01/04/2006		P		100		01/04/2006	5	(2)	Common Stock	432.9	\$53	324,350		I	By Jayhawk Investments, L.P. and Jayhawk Institutional Partners,	

## **Explanation of Responses:**

- 1. Each share of Class C Preferred Series 2 Stock is convertible into 4.329 shares of Common Stock.
- 2. Does not expire.
- 3. As of January 4, 2006, the reporting person is the indirect beneficial owner of 168,250 shares of Class C Preferred Series 2 Stock directly owned by Jayhawk Institutional Partners, L.P. and 132,300 shares of Class C Preferred Series 2 Stock directly owned by Jayhawk Investments, L.P. The reporting person is the direct beneficial owner of 23,800 shares of Class C Preferred Series 2 Stock.

## Remarks:

Kent C. McCarthy 01/06/2006 \*\* Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

- \* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.