

MCCARTHY KENT C

Form 4/A

August 23, 2007

FORM 4
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
MCCARTHY KENT C

(Last) (First) (Middle)

5410 WEST 61ST PLACE, SUITE
100

(Street)

MISSION, KS 66205

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
LSB INDUSTRIES INC [LXU]

3. Date of Earliest Transaction
(Month/Day/Year)

08/21/2007

4. If Amendment, Date Original
Filed(Month/Day/Year)
08/16/2007

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____X____ 10% Owner
____ Officer (give title below) ____ Other (specify below)

6. Individual or Joint/Group Filing(Check
Applicable Line)
X Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)				5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	08/21/2007 ⁽¹⁾		C		349,220	A	⁽²⁾	2,215,288 ⁽³⁾	I	Jayhawk Institutional Partners, L.P. ⁽⁴⁾
Common Stock	08/21/2007 ⁽¹⁾		C		321,826	A	⁽⁵⁾	892,588	I	Jayhawk Investments, L.P. ⁽⁴⁾
Common Stock	06/25/2007		G	V	10,000	D	\$ 0	214,240	D	

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

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8.	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Class C Preferred Series 2	(6)	08/21/2007 ⁽¹⁾		C	80,670 (2) (6)	(6)	(6)	Common Stock	349,220
Class C Preferred Series 2	(6)	08/21/2007 ⁽¹⁾		C	74,342 (5) (6)	(6)	(6)	Common Stock	321,826

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
MCCARTHY KENT C 5410 WEST 61ST PLACE SUITE 100 MISSION, KS 66205	X

Signatures

/s/ Kent C.
McCarthy

08/23/2007

**Signature of
Reporting Person

Date

Explanation of Responses:

- * 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).
- (1) The transaction date was reported as August 14, 2007 in the reporting person's previous Form 4 filed on August 16, 2007. However, the effective date of the transaction was actually August 21, 2007.
- (2) The reporting person, through Jayhawk Institutional Partners, L.P. ("Jayhawk Institutional"), converted 80,670 shares of \$3.25 Convertible Exchangeable Class C Preferred Stock, Series 2 ("Class C Preferred Series 2 Stock") on August 21, 2007 into 349,220 shares

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of common stock in accordance with the terms of the Class C Preferred Series 2 Stock.

- (3) The amount of securities beneficially owned by the reporting person, through Jayhawk Institutional, following the transaction was reported in the reporting person's previous Form 4 filed on August 16, 2007 as 2,074,248. However, the actual amount of securities beneficially owned by the reporting person, through Jayhawk Institutional, following the transaction was 2,215,288.

As of the reporting date, Kent C. McCarthy is deemed the indirect beneficial owner of (i) 2,215,288 shares of common stock held by Jayhawk Institutional and (ii) 892,588 shares of common stock held by Jayhawk Investments, L.P. ("Jayhawk Investments"). Mr.

- (4) McCarthy disclaims beneficial ownership of all securities covered by this statement (except to the extent of any pecuniary interest therein) and this report shall not be deemed an admission that such reporting person is the beneficial owner of such securities for purposes of Section 16 or any other purpose.
- (5) The reporting person, through Jayhawk Investments, converted 74,342 shares of Class C Preferred Series 2 Stock on August 21, 2007 into 321,826 shares of common stock in accordance with the terms of the Class C Preferred Series 2 Stock.
- (6) Each share of the Class C Preferred Series 2 Stock was convertible into 4.329 shares of common stock at any time, and had no expiration date.

Remarks:

This Form 4 is filed by Mr. McCarthy. Form 4s reporting the transactions herein were also filed by Jayhawk Capital Manager ("Jayhawk Capital") and Jayhawk Institutional. Mr. McCarthy is the manager of Jayhawk Capital, which is the general partner and manager of Jayhawk Institutional and of Jayhawk Investments.

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

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