#### LSB INDUSTRIES INC

Form 4

September 27, 2007

## FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

**OMB** 

**OMB APPROVAL** 

Number:

3235-0287

Expires:

January 31, 2005

0.5

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if no longer subject to Section 16. Form 4 or Form 5 obligations

Check this box

**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

1(b).

(Print or Type Responses)

may continue.

See Instruction

1. Name and Address of Reporting Person * JAYHAWK CAPITAL MANAGEMENT LLC			Symbol	and Ticker or Trading	5. Relationship of Reporting Person(s) to Issuer				
(Last)	(First)	(Middle)	3. Date of Earliest Transaction		(Check all applicable)				
5410 WEST 61ST PLACE, SUITE 100		(Month/Day/Year 09/25/2007	r)	Director X 10% Owner Officer (give title below) Other (specify below)					
(Street)			4. If Amendment	, Date Original	6. Individual or Joint/Group Filing(Check				
MISSION,	KS 66205		Filed(Month/Day/	Year)	Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person				
(City)	(State)	(Zip)	Table I - No	n-Derivative Securities Acq	uired, Disposed of, o	or Beneficially Owned			
1.Title of	2. Transaction I	Date 2A. Deeme	d 3.	4. Securities Acquired	5. Amount of 6.	7. Nature of			

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transacti Code (Instr. 8)	4. Securit on(A) or Di (Instr. 3,	sposed	1 of (D) 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)
Common Stock	09/25/2007		S	19,800	` ′		1,800,756	I	Jayhawk Institutional Partners, L.P. (1)
Common Stock	09/25/2007		S	7,500	D	\$ 24.64	1,793,256	I	Jayhawk Institutional Partners, L.P. (1)

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

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

1. Title of	2.	3. Transaction Date	3A. Deemed	4.	5.	6. Date Exer	cisable and	7. Titl	le and	8. Price of	9. Nu
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transactio	onNumber	Expiration D	ate	Amou	ınt of	Derivative	Deriv
Security	or Exercise		any	Code	of	(Month/Day/	Year)	Under	lying	Security	Secui
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Derivative	e		Secur	ities	(Instr. 5)	Bene
	Derivative				Securities			(Instr.	3 and 4)		Owne
	Security				Acquired						Follo
	•				(A) or						Repo
					Disposed						Trans
					of (D)						(Instr
					(Instr. 3,						
					4, and 5)						
									A 4		
									Amount		
						Date	Expiration	m: .1	or		
						Exercisable	Date	Title Numbe	Number		
				~	<i>(</i> 1)				of		
				Code V	(A) (D)				Shares		

# **Reporting Owners**

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

JAYHAWK CAPITAL MANAGEMENT LLC 5410 WEST 61ST PLACE SUITE 100 MISSION, KS 66205

X

## **Signatures**

/s/ Kent C. McCarthy, Manager

09/27/2007

\*\*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).
  - As of the reporting date, Jayhawk Capital Management, L.L.C. ("Jayhawk Capital") is deemed the indirect beneficial owner of 1,793,256 shares of common stock held by Jayhawk Institutional Partners, L.P. Jayhawk Capital disclaims beneficial ownership of all securities
- (1) 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 of the Securities Exchange Act of 1934, as amended, or any other purpose.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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