

LSB INDUSTRIES INC
Form 10-Q
November 05, 2007
LSB Industries, Inc.

Form 10-Q (9-30-2007)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Form 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR
15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30,
2007

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR
15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from
_____ to _____

Commission file number 1-7677

LSB Industries, Inc.
Exact name of Registrant as specified in its charter

Delaware
State or other jurisdiction of
incorporation or organization

73-1015226
I.R.S. Employer Identification No.

16 South Pennsylvania Avenue, Oklahoma City, Oklahoma **73107**
Address of principal executive offices (Zip Code)

(405) 235-4546
Registrant's telephone number, including area code

None
Former name, former address and former fiscal year, if changed since last report.

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant

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was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes X No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of “accelerated filer and large accelerated filer” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer [☐] Accelerated filer [☐] Non-accelerated filer [X]

The aggregate market value of the Registrant’s voting common equity held by non-affiliates of the Registrant, computed by reference to the price at which the voting common stock was last sold as of June 29, 2007, exceeded the \$75 million threshold. As a result, the Registrant will become an accelerated filer on December 31, 2007.

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Act). ☐ Yes ☒ No

The number of shares outstanding of the Registrant's voting common stock, as of November 1, 2007 was 20,827,088 shares, excluding 3,448,518 shares held as treasury stock.

Table of Contents

FORM 10-Q OF LSB INDUSTRIES, INC.

TABLE OF CONTENTS

PART I – Financial Information		Page
Item 1.	<u>Financial Statements</u>	4
Item 2.	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	44
Item 3.	<u>Quantitative and Qualitative Disclosures About Market Risk</u>	73
Item 4.	<u>Controls and Procedures</u>	74
	<u>Special Regarding Forward-Looking Statements Note</u>	75
PART II – Other Information		
Item 1.	<u>Legal Proceedings</u>	77
Item 1A.	<u>Risk Factors</u>	77
Item 2.	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	79
Item 3.	<u>Defaults Upon Senior Securities</u>	80
Item 4.	<u>Submission of Matters to a Vote of Security Holders</u>	80
Item 5.	<u>Other Information</u>	80
Item 6.	<u>Exhibits</u>	80

Table of Contents

PART I
FINANCIAL INFORMATION

Item 1. Financial Statements

LSB INDUSTRIES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Information at September 30, 2007 is unaudited)

	September 30, 2007	December 31, 2006
	(In Thousands)	
Assets		
Current assets:		
Cash and cash equivalents	\$ 40,869	\$ 2,255
Restricted cash	30	2,479
Accounts receivable, net	86,869	67,571
Inventories:		
Finished goods	23,265	20,252
Work in process	3,136	3,205
Raw materials	20,995	21,992
Total inventories	47,396	45,449
Supplies, prepaid items and other:		
Prepaid insurance	842	3,443
Precious metals	10,533	6,406
Supplies	3,810	3,424
Other	2,230	1,468
Total supplies, prepaid items and other	17,415	14,741
Deferred income taxes	9,700	-
Total current assets	202,279	132,495
Property, plant and equipment, net	78,696	76,404
Other assets:		
Noncurrent restricted cash	-	1,202
Debt issuance and other debt-related costs, net	4,884	2,221
Investment in affiliate	3,398	3,314
Goodwill	1,724	1,724
Other, net	2,488	2,567
Total other assets	12,494	11,028
	\$ 293,469	\$ 219,927

(Continued on following page)

Table of Contents

LSB INDUSTRIES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS (continued)
(Information at September 30, 2007 is unaudited)

	September 30, 2007	December 31, 2006
	(In Thousands)	
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 40,587	\$ 42,870
Short-term financing and drafts payable	133	2,986
Accrued and other liabilities	30,272	26,816
Current portion of long-term debt	2,703	11,579
Total current liabilities	73,695	84,251
Long-term debt	119,720	86,113
Noncurrent accrued and other liabilities:		
Deferred income taxes	6,550	-
Other	6,576	5,929
	13,126	5,929