
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): April 24, 2008

MAGNACHIP SEMICONDUCTOR LLC

(Exact name of Registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

333-126019-09
(Commission
File Number)

83-0406195
(IRS Employer
Identification No.)

c/o MagnaChip Semiconductor S.A., 74, rue de Merl, B.P. 709, L-2017
Luxembourg, Grand Duchy of Luxembourg
(Address of Principal Executive Offices)

Not Applicable
(Zip Code)

Registrant's telephone number, including area code: (352) 45-62-62

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02. Results of Operations and Financial Condition.

Attached hereto as Exhibit 99.1 and incorporated by reference herein is financial information for MagnaChip Semiconductor LLC and its consolidated subsidiaries for the quarter ended March 30, 2008, as presented in a press release dated April 24, 2008.

Item 9.01. Financial Statements and Exhibits.

(c) Exhibits.

The following exhibits are furnished as part of this report:

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|--|
| 99.1 | Press release for MagnaChip Semiconductor LLC dated April 24, 2008, announcing the results for the first quarter ended March 30, 2008. |

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MAGNACHIP SEMICONDUCTOR LLC

Dated: April 24, 2008

By: /s/ Robert Krakauer

Robert Krakauer

President and Chief Financial Officer

Exhibit Index

| <u>Exhibit No.</u> | <u>Description</u> |
|---------------------------|--|
| 99.1 | Press release for MagnaChip Semiconductor LLC dated April 24, 2008, announcing the results for the first quarter ended March 30, 2008. |



*MagnaChip Semiconductor Reports
First Quarter Results*

Seoul, South Korea, April 24, 2008 – MagnaChip Semiconductor today announced results for the first quarter ended March 30, 2008.

Revenue for the three months ended March 30, 2008 was \$203.1 million, compared to \$151.8 million in the first quarter of 2007.

Gross margin was \$47.9 million or 23.6% of revenue for the quarter ended March 30, 2008, compared to \$14.9 million or 9.8% of revenue for the first quarter of 2007.

Operating expenses for the first quarter of 2008 were \$54.7 million or 26.9% of revenue, compared to \$57.8 million or 38.1% of revenue for the first quarter of 2007.

Operating loss was \$6.8 million during the current quarter, compared to an operating loss of \$42.9 million in the prior year quarter.

Net interest expense for the first quarter of 2008 was \$15.7 million, compared to \$14.4 million in the first quarter of 2007.

Net loss for the three months ended March 30, 2008 was \$67.9 million, compared to a net loss of \$67.0 million in the first quarter of 2007. The net loss results were negatively impacted by a foreign currency loss of \$42.9 million in the first quarter of 2008, compared to a foreign currency loss of \$7.4 million in the first quarter of 2007. A substantial portion of this net foreign currency loss resulted from a non-cash translation loss recorded for intercompany borrowings at our Korea subsidiary that are denominated in U.S. dollars.

Sang Park, Chairman and CEO of MagnaChip Semiconductor, commented, “We continued to make progress in 2008 vs. 2007, with an increase in revenues of 33.8% vs. the first quarter of 2007. During the quarter, we began sampling our new line of power management products as part of an overall strategy to leverage our analog and mixed signal technology platform to expand our market opportunities. We expanded our image solutions business to new end markets and increased our account penetration in our display solutions business. In our Semiconductor Manufacturing Services business, we strengthened our specialty technology portfolio and achieved a design win at a recognized leader in the microcontroller market. Our product pipeline is strong, and our design win activity is at an all-time high as we enter into the second quarter.”

Robert Krakauer, President and CFO of MagnaChip Semiconductor, said, “We continued to make progress in the first quarter of 2008. Our gross margin and operating profit improved year over year, as we focused on maintaining our cost competitiveness. Though some of our markets are slower than expected, we believe we are well-positioned for continued performance improvement throughout 2008.”

Investor Conference Call / Webcast Details

MagnaChip will report full results for the first quarter 2008 on Thursday, April 24, 2008 at 10:00 a.m. in New York (11:00 p.m., Thursday, April 24, 2008 in Seoul). The conference call will be available at www.magnachip.com and by telephone at +1-(877) 407-0784 (domestic) or +1-(201) 689-8560 (International). A replay of the call will be available in two hours after the call through midnight on Thursday, May 1, 2008 in New York (1 p.m. on Friday, May 2, 2008 in Seoul) at www.magnachip.com and by telephone at +1-(201) 612-7415. The account number to access the replay is 3055 and the conference ID number is 279852, respectively.

About MagnaChip Semiconductor

Headquartered in Seoul, South Korea, MagnaChip Semiconductor is a leading, Asia-based designer and manufacturer of analog and mixed-signal semiconductor products for high volume consumer applications, such as mobile phones, digital televisions, flat panel displays, notebook computers, mobile multimedia devices and digital cameras. The Company has a broad range of analog and mixed-signal semiconductor technology, supported by its 28-year operating history, large portfolio of registered and pending patents and extensive engineering and manufacturing process expertise. For more information, visit www.magnachip.com.

Forward-Looking Statements:

Certain statements contained in this press release contain forward-looking statements regarding MagnaChip Semiconductor's operations, economic performance and financial condition. Although MagnaChip Semiconductor believes that the expectations reflected in these statements are reasonable, no assurance can be given that such expectations will prove to have been correct as a result of many factors, including those described in our annual report on Form 10-K for the year ended December 31, 2007, which was filed with the Securities and Exchange Commission on March 31, 2008.

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MagnaChip Semiconductor
Condensed Consolidated Statements of Operations
(In thousands of U.S. Dollars, except per unit data)
(Unaudited)

| | Three Months Ended | |
|--|---------------------------|--------------------------|
| | March 30, 2008 | April 1, 2007 |
| Net sales | \$ 203,052 | \$ 151,783 |
| Cost of sales | 155,186 | 136,860 |
| Gross profit | 47,866 | 14,923 |
| Operating expenses: | | |
| Selling, general and administrative | 19,224 | 22,729 |
| Research and development | 36,347 | 35,118 |
| Restructuring and impairment charges | (875) | — |
| Operating loss | (6,830) | (42,924) |
| Other income (expenses): | | |
| Interest expenses, net | (15,695) | (14,416) |
| Foreign currency loss, net | (42,864) | (7,391) |
| Loss before income taxes | (65,389) | (64,731) |
| Income tax expenses | 2,508 | 2,251 |
| Net loss | <u>\$ (67,897)</u> | <u>\$ (66,982)</u> |
| Dividends accrued on preferred units | 3,118 | 2,870 |
| Net loss attributable to common units | <u>\$ (71,015)</u> | <u>\$ (69,852)</u> |
| Net loss per common unit Basic and Diluted | \$ (1.35) | \$ (1.32) |
| Common units used in per common unit calculation: Basic and Diluted (in thousands) | 52,580 | 52,721 |
| Key Ratios & Information: | | |
| Gross Margin | 23.6% | 9.8% |
| Operating Expenses as a % of Revenue | 26.9% | 38.1% |
| Operating Margin | (3.4%) | (28.3%) |
| Depreciation & Amortization Expense | 21,277 | 43,942 |
| Capital Expenditures | 10,070 | 8,348 |

MagnaChip Semiconductor

Reconciliation of US GAAP Gross Profit, Operating Income (Loss) and Net Income (Loss) to

Non-US GAAP Gross Profit, Operating Income (Loss) and Net Income (Loss)

(In thousands of US Dollars)

(Unaudited)

Use of Non-US GAAP Financial Information

To supplement our condensed consolidated financial statements presented on a US GAAP basis, MagnaChip Semiconductor uses non-US GAAP measures of gross profit, operating income (loss) and net income (loss), that are US GAAP gross profit, operating income (loss) and net income (loss) adjusted to exclude certain costs, expenses or gains, referred to as special items. Non-US GAAP adjusted gross profit; operating income (loss) and net income (loss) measure give an indication of our baseline performance before other charges that are considered by management to be outside of our core operating results. In addition, our non-US GAAP adjusted measure of gross profit, operating income (loss) and net income (loss) are among the primary indicators management uses as a basis for our planning and forecasting of future periods. The presentation of this additional information should not be considered in isolation or as a substitute for gross profit, operating income (loss) and net income (loss) prepared in accordance with generally accepted accounting principles in the United States of America.

| | Three Months Ended March 30, 2008 | | | Three Months Ended April 1, 2007 | | |
|---|--------------------------------------|-------------------------------|-------------------------|-------------------------------------|-------------------------------|-------------------------|
| | Gross Profit | Operating Income (Loss) | Net Income (Loss) | Gross Profit | Operating Income (Loss) | Net Income (Loss) |
| US GAAP Amounts | \$47,866 | \$ (6,830) | \$ (67,897) | \$14,923 | \$ (42,924) | \$ (66,982) |
| Special items | | | | | | |
| (1) Restructuring and impairment charges | — | (875) | (875) | — | — | — |
| Non-US GAAP Profit | <u>\$47,866</u> | <u>\$ (7,705)</u> | <u>\$ (68,772)</u> | <u>\$14,923</u> | <u>\$ (42,924)</u> | <u>\$ (66,982)</u> |
| Adjusted Gross Margin | | | 23.6% | | | 9.8% |
| Adjusted Operating Expense - % of Revenue | | | 27.4% | | | 38.1% |
| Adjusted Operating Margin | | | (3.8%) | | | (28.3%) |

Non-US GAAP adjusted condensed consolidated statements of operations are intended to present the Company's operating results, excluding special items. The special items excluded for the three months ended March 30, 2008 are as follows:

- (1) Unused restructuring charges recorded in the second quarter 2007 under SFAS 144

MagnaChip Semiconductor
Condensed Consolidated Balance Sheets
(In thousands of US Dollars)
(Unaudited)

| | March 30, 2008 | December 31, 2007 |
|---|-------------------|----------------------|
| Assets | | |
| Current assets | | |
| Cash and cash equivalents | \$ 53,476 | \$ 64,345 |
| Accounts receivable, net | 147,275 | 123,789 |
| Inventories, net | 64,925 | 75,867 |
| Other current assets | 24,796 | 16,722 |
| Total current assets | 290,472 | 280,723 |
| Property, plant and equipment, net | 260,978 | 279,669 |
| Goodwill and intangible assets, net | 92,522 | 104,725 |
| Other non-current assets | 49,971 | 42,766 |
| Total assets | <u>\$ 693,943</u> | <u>\$ 707,883</u> |
| Liabilities & Unitholders' Equity | | |
| Current liabilities | | |
| Accounts and other payable | \$ 143,392 | \$ 120,638 |
| Short-term borrowings | 80,000 | 80,000 |
| Other current liabilities | 28,924 | 24,477 |
| Total current liabilities | 252,316 | 225,115 |
| Long-term borrowings | 750,000 | 750,000 |
| Other non-current liabilities | 86,994 | 80,842 |
| Total liabilities | 1,089,310 | 1,055,957 |
| Redeemable convertible preferred units | 132,523 | 129,405 |
| Unitholders' equity | (527,890) | (477,479) |
| Total liabilities, redeemable convertible preferred units and unitholders' equity | <u>\$ 693,943</u> | <u>\$ 707,883</u> |

MagnaChip Semiconductor
Condensed Consolidated Statements of Cash Flows
(In thousands of US Dollars)
(Unaudited)

| | Three Months Ended | |
|--|---------------------------|--------------------------|
| | March 30, 2008 | April 1, 2007 |
| Cash flows from operating activities | | |
| Net loss | \$(67,897) | \$(66,982) |
| Adjustments to reconcile net loss to net cash provided by (used in) operating activities | | |
| Depreciation and amortization | 21,277 | 43,942 |
| Provision for severance benefits | 3,734 | 4,182 |
| Gain(loss) on foreign currency translation, net | 43,276 | 7,849 |
| Changes in accounts and other receivable | (24,708) | (4,667) |
| Changes in inventories | 7,072 | (12,183) |
| Changes in accounts and other payable | 16,089 | (2,996) |
| Changes in accrued expenses | 6,563 | 11,410 |
| Other | (8,912) | (753) |
| Net cash used in operating activities | <u>(3,506)</u> | <u>(20,198)</u> |
| Cash flows from investing activities | | |
| Capital expenditures | (10,070) | (8,348) |
| Other | 3,373 | (538) |
| Net cash used in investing activities | <u>(6,697)</u> | <u>(8,886)</u> |
| Cash flows from financing activities | | |
| Exercise of unit options | 28 | — |
| Repurchase of common units | (68) | — |
| Proceeds from short-term borrowings | 90,000 | — |
| Repayment of short-term borrowings | (90,000) | — |
| Net cash used in financing activities | <u>(40)</u> | <u>—</u> |
| Effect of exchange rates on cash and cash equivalents | (626) | (825) |
| Net increase decrease in cash and cash equivalents | <u>(10,869)</u> | <u>(29,909)</u> |
| Cash and cash equivalents | | |
| Beginning of the period | 64,345 | 89,173 |
| End of the period | <u>\$ 53,476</u> | <u>\$ 59,264</u> |