

MAGNACHIP SEMICONDUCTOR Corp  
Form SC 13D/A  
March 14, 2016

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

SCHEDULE 13D  
(Rule 13d-101)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT  
TO § 240.13d-1(a) AND AMENDMENTS THERETO FILED PURSUANT TO  
§ 240.13d-2(a)

(Amendment No. 2)1

(Name of Issuer) MagnaChip Semiconductor Corporation

Common Stock, \$0.01 par value per share  
(Title of Class of Securities)

55933J203  
(CUSIP Number)

GLENN W. WELLING  
ENGAGED CAPITAL, LLC  
610 Newport Center Drive, Suite 250  
Newport Beach, California 92660  
(949) 734-7900

STEVE WOLOSKY, ESQ.  
OLSHAN FROME WOLOSKY LLP  
Park Avenue Tower  
65 East 55th Street  
New York, New York 10022  
(212) 451-2300

(Name, Address and Telephone Number of Person  
Authorized to Receive Notices and Communications)

March 11, 2016  
(Date of Event Which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box " .

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

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1 The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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CUSIP NO. 55933J203

1 NAME OF REPORTING PERSON

Engaged Capital Master Feeder I, LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CAYMAN ISLANDS

|   |    |                          |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7  | SOLE VOTING POWER        |
|   |    | 1,017,209                |
|   | 8  | SHARED VOTING POWER      |
|   |    | - 0 -                    |
|   | 9  | SOLE DISPOSITIVE POWER   |
|   |    | 1,017,209                |
|   | 10 | SHARED DISPOSITIVE POWER |

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,017,209

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

2.9%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 55933J203

1 NAME OF REPORTING PERSON

Engaged Capital Master Feeder II, LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

WC

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CAYMAN ISLANDS

|   |    |                          |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7  | SOLE VOTING POWER        |
|   |    | 2,435,765                |
|   | 8  | SHARED VOTING POWER      |
|   |    | - 0 -                    |
|   | 9  | SOLE DISPOSITIVE POWER   |
|   |    | 2,435,765                |
|   | 10 | SHARED DISPOSITIVE POWER |

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,435,765

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

7.0%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 55933J203

1 NAME OF REPORTING PERSON

Engaged Capital I, LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

|   |    |                          |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7  | SOLE VOTING POWER        |
|   |    | 1,017,209                |
|   | 8  | SHARED VOTING POWER      |
|   |    | - 0 -                    |
|   | 9  | SOLE DISPOSITIVE POWER   |
|   |    | 1,017,209                |
|   | 10 | SHARED DISPOSITIVE POWER |

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,017,209

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

2.9%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 55933J203

1 NAME OF REPORTING PERSON

Engaged Capital I Offshore, Ltd.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CAYMAN ISLANDS

|   |    |                          |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7  | SOLE VOTING POWER        |
|   |    | 1,017,209                |
|   | 8  | SHARED VOTING POWER      |
|   |    | - 0 -                    |
|   | 9  | SOLE DISPOSITIVE POWER   |
|   |    | 1,017,209                |
|   | 10 | SHARED DISPOSITIVE POWER |
|   |    | - 0 -                    |

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1,017,209

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

2.9%

14 TYPE OF REPORTING PERSON

CO

CUSIP NO. 55933J203

1 NAME OF REPORTING PERSON

Engaged Capital II, LP

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

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6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

|   |    |                          |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7  | SOLE VOTING POWER        |
|   |    | 2,435,765                |
|   | 8  | SHARED VOTING POWER      |
|   |    | - 0 -                    |
|   | 9  | SOLE DISPOSITIVE POWER   |
|   |    | 2,435,765                |
|   | 10 | SHARED DISPOSITIVE POWER |

- 0 -

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,435,765

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

7.0%

14 TYPE OF REPORTING PERSON

PN

CUSIP NO. 55933J203

1 NAME OF REPORTING PERSON

Engaged Capital II Offshore Ltd.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

CAYMAN ISLANDS

|   |    |                          |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7  | SOLE VOTING POWER        |
|   |    | 2,435,765                |
|   | 8  | SHARED VOTING POWER      |
|   |    | - 0 -                    |
|   | 9  | SOLE DISPOSITIVE POWER   |
|   |    | 2,435,765                |
|   | 10 | SHARED DISPOSITIVE POWER |
|   |    | - 0 -                    |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

2,435,765

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

7.0%

14 TYPE OF REPORTING PERSON

CO



CUSIP NO. 55933J203

1 NAME OF REPORTING PERSON

Engaged Capital, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)  (b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

|   |    |                          |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7  | SOLE VOTING POWER        |
|   |    | 3,852,974                |
|   | 8  | SHARED VOTING POWER      |
|   |    | - 0 -                    |
|   | 9  | SOLE DISPOSITIVE POWER   |
|   |    | 3,852,974                |
|   | 10 | SHARED DISPOSITIVE POWER |
|   |    | - 0 -                    |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,852,974

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

11.1%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 55933J203

1 NAME OF REPORTING PERSON

Engaged Capital Holdings, LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

DELAWARE

|   |    |                          |
|---|----|--------------------------|
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | 7  | SOLE VOTING POWER        |
|   |    | 3,852,974                |
|   | 8  | SHARED VOTING POWER      |
|   |    | - 0 -                    |
|   | 9  | SOLE DISPOSITIVE POWER   |
|   |    | 3,852,974                |
|   | 10 | SHARED DISPOSITIVE POWER |
|   |    | - 0 -                    |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,852,974

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

11.1%

14 TYPE OF REPORTING PERSON

OO

CUSIP NO. 55933J203

1 NAME OF REPORTING PERSON

Glenn W. Welling

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS

OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

USA

|   |    |                          |
|---|----|--------------------------|
| NUMBER OF<br>SHARES<br>BENEFICIALLY<br>OWNED BY<br>EACH<br>REPORTING<br>PERSON WITH | 7  | SOLE VOTING POWER        |
|   |    | 3,852,974                |
|   | 8  | SHARED VOTING POWER      |
|   |    | - 0 -                    |
|   | 9  | SOLE DISPOSITIVE POWER   |
|   |    | 3,852,974                |
|   | 10 | SHARED DISPOSITIVE POWER |
|   |    | - 0 -                    |

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,852,974

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

11.1%

14 TYPE OF REPORTING PERSON

IN

CUSIP NO. 55933J203

The following constitutes Amendment No. 2 to the Schedule 13D filed by the undersigned ("Amendment No. 2"). This Amendment No. 2 amends the Schedule 13D as specifically set forth herein.

Item 3. Source and Amount of Funds or Other Consideration.

Item 3 is hereby amended and restated to read as follows:

The Shares purchased by each of Engaged Capital Master I, Engaged Capital Master II and held in an account separately managed by Engaged Capital (the "Engaged Capital Account") were purchased with working capital (which may, at any given time, include margin loans made by brokerage firms in the ordinary course of business) in open market purchases, except as otherwise noted, as set forth in Schedule A, which is incorporated by reference herein. The aggregate purchase price of the 1,017,209 Shares beneficially owned by Engaged Capital Master I is approximately \$7,152,066, including brokerage commissions. The aggregate purchase price of the 2,435,765 Shares beneficially owned by Engaged Capital Master II is approximately \$16,221,616, including brokerage commissions. The aggregate purchase price of the 400,000 Shares held in the Engaged Capital Account is approximately \$2,204,360, including brokerage commissions.

Item 5. Interest in Securities of the Issuer.

Items 5(a) – (c) are hereby amended and restated to read as follows:

(a) The aggregate percentage of Shares reported owned by each person named herein is based upon 34,568,942 Shares outstanding as of January 31, 2016, which is the total number of Shares outstanding as reported in the Issuer's Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 22, 2016.

As of the close of business on March 11, 2016, Engaged Capital Master I beneficially owned 1,017,209 Shares, constituting approximately 2.9% of the Shares outstanding. Each of Engaged Capital I and Engaged Capital Offshore, as feeder funds of Engaged Capital Master I, may be deemed to beneficially own the 1,017,209 Shares owned by Engaged Capital Master I, constituting approximately 2.9% of the Shares outstanding.

As of the close of business on March 11, 2016, Engaged Capital Master II beneficially owned 2,435,765 Shares, constituting approximately 7.0% of the Shares outstanding. Each of Engaged Capital II and Engaged Capital Offshore II, as feeder funds of Engaged Capital Master II, may be deemed to beneficially own the 2,435,765 Shares owned by Engaged Capital Master II, constituting approximately 7.0% of the Shares outstanding.

As of the close of business on March 11, 2016, 400,000 Shares were held in the Engaged Capital Account, constituting approximately 1.2% of the Shares outstanding.

Engaged Capital, as the general partner and investment adviser of Engaged Capital Master I and Engaged Capital Master II and the investment adviser of the Engaged Capital Account, may be deemed to beneficially own the 3,852,974 Shares owned in the aggregate by Engaged Capital Master I and Engaged Capital Master II and held in the Engaged Capital Account, constituting approximately 11.1% of the Shares outstanding. Engaged Holdings, as the managing member of Engaged Capital, may be deemed to beneficially own the 3,852,974 Shares owned in the aggregate by Engaged Capital Master I and Engaged Capital Master II and held in the Engaged Capital Account, constituting approximately 11.1% of the Shares outstanding. Mr. Welling, as the Founder and CIO of Engaged Capital and sole member of Engaged Holdings, may be deemed to beneficially own the 3,852,974 Shares owned in the aggregate by Engaged Capital Master I and Engaged Capital Master II and held in the Engaged Capital Account, constituting approximately 11.1% of the Shares outstanding.



CUSIP NO. 55933J203

Each Reporting Person, as a member of a “group” with the other Reporting Persons for the purposes of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended, may be deemed the beneficial owner of the Shares directly owned by the other Reporting Persons. Each Reporting Person disclaims beneficial ownership of such Shares except to the extent of his or its pecuniary interest therein.

(b) By virtue of their respective positions with Engaged Capital Master I, each of Engaged Capital I, Engaged Capital Offshore, Engaged Capital, Engaged Holdings and Mr. Welling may be deemed to have sole power to vote and dispose of the Shares reported owned by Engaged Capital Master I.

By virtue of their respective positions with Engaged Capital Master II, each of Engaged Capital II, Engaged Capital Offshore II, Engaged Capital, Engaged Holdings and Mr. Welling may be deemed to have sole power to vote and dispose of the Shares reported owned by Engaged Capital Master II.

By virtue of their respective positions with the Engaged Capital Account, each of Engaged Capital, Engaged Holdings and Mr. Welling may be deemed to have sole power to vote and dispose of the Shares held in the Engaged Capital Account.

(c) Schedule A annexed hereto lists all transactions in securities of the Issuer by the Reporting Persons during the past 60 days.

CUSIP NO. 55933J203

SIGNATURES

After reasonable inquiry and to the best of his knowledge and belief, the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated: March 14, 2016

Engaged Capital Master Feeder I, LP

By: Engaged Capital, LLC  
General Partner

By: /s/ Glenn W. Welling  
Name: Glenn W. Welling  
Title: Founder and Chief Investment Officer

Engaged Capital Master Feeder II, LP

By: Engaged Capital, LLC  
General Partner

By: /s/ Glenn W. Welling  
Name: Glenn W. Welling  
Title: Founder and Chief Investment Officer

Engaged Capital I, LP

By: Engaged Capital, LLC  
General Partner

By: /s/ Glenn W. Welling  
Name: Glenn W. Welling  
Title: Founder and Chief Investment Officer

Engaged Capital I Offshore, Ltd.

By: /s/ Glenn W. Welling  
Name: Glenn W. Welling  
Title: Director





CUSIP NO. 55933J203

Engaged Capital II, LP

By: Engaged Capital, LLC  
General Partner

By: /s/ Glenn W. Welling  
Name: Glenn W. Welling  
Title: Founder and Chief Investment  
Officer

Engaged Capital II Offshore Ltd.

By: /s/ Glenn W. Welling  
Name: Glenn W. Welling  
Title: Director

Engaged Capital, LLC

By: /s/ Glenn W. Welling  
Name: Glenn W. Welling  
Title: Founder and Chief Investment  
Officer

Engaged Capital Holdings, LLC

By: /s/ Glenn W. Welling  
Name: Glenn W. Welling  
Title: Sole Member

/s/ Glenn W. Welling  
Glenn W. Welling

CUSIP NO. 55933J203

SCHEDULE A

Transactions in Securities of the Issuer During the Past Sixty Days

| Nature of the Transaction | Securities<br>Purchased/(Sold)                                | Price Per<br>Share(\$) | Date of<br>Purchase / Sale |
|---------------------------|---|------------------------|----------------------------|
|                           | ENGAGED CAPITAL, LLC<br>(Through the Engaged Capital Account) |                        |                            |
| Purchase of Common Stock  | 400,000   | 5.4909                 | 03/11/2016                 |