

Exhibit E

Financial Projections

FINANCIAL PROJECTIONS OF THE REORGANIZED DEBTORS

In connection with the solicitation of votes on the Plan, and for purposes of demonstrating the feasibility of the Plan, the following financial projections (the “*Financial Projections*”)¹ were prepared by the Debtors. The Financial Projections reflect the Debtors’ judgment as to the occurrence or nonoccurrence of certain future events and of expected future operating performance and business conditions, which are subject to material change. The Debtors’ management, in conjunction with their advisors, have prepared the Financial Projections for the fiscal years 2013 through 2017 (the “*Projection Period*”). The Financial Projections have been prepared on a consolidated basis consistent with the Debtors’ financial reporting practices and include all Debtors and non-Debtors. The Financial Projections, including any historical amounts included therein, are unaudited.

THE FINANCIAL PROJECTIONS, INCLUDING THE UNDERLYING BUSINESS AND ECONOMIC ASSUMPTIONS, SHOULD BE CAREFULLY REVIEWED IN EVALUATING THE PLAN. WHILE THE DEBTORS BELIEVE THE ASSUMPTIONS UNDERLYING THE FINANCIAL PROJECTIONS, WHEN CONSIDERED ON AN OVERALL BASIS, ARE REASONABLE IN LIGHT OF CURRENT CIRCUMSTANCES AND EXPECTATIONS, NO ASSURANCE CAN BE GIVEN THAT THE FINANCIAL PROJECTIONS WILL BE REALIZED.

THE FINANCIAL PROJECTIONS SHOULD NOT BE REGARDED AS A REPRESENTATION, WARRANTY OR GUARANTY BY THE DEBTORS OR ANY OTHER PERSON AS TO THE ACCURACY OF THE FINANCIAL PROJECTIONS OR THAT THE FINANCIAL PROJECTIONS WILL BE REALIZED.

The Debtors’ projected Consolidated Balance Sheets set forth the projected consolidated financial position of the Company, after giving effect to the Plan. The projected Consolidated Balance Sheets were developed using September 28, 2012 unaudited actual results as a starting point and are adjusted on a go-forward basis based on projected results of operations and cash flows over the Projection Period. These Financial Projections were not prepared with a view toward compliance with published guidelines of the Securities and Exchange Commission or guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information. The projected Consolidated Balance Sheets do not reflect the impact of “fresh start” accounting, which could result in a material change to the projected values of assets and liabilities. The projected Consolidated Balance Sheets contain certain pro forma adjustments as a result of the Plan Consummation. The projected cash balances reflect the effects of anticipated changes in working capital related items. On the Effective Date, actual cash may vary from cash reflected in the projected Consolidated Balance Sheets because of variances in the Financial Projections and potential changes in cash needs to consummate the Plan.

The Financial Projections assume certain specific economic and business conditions will occur in the future, including general assumptions based upon future macroeconomic indicators and consumer trends in general. The Financial Projections were prepared by management in good faith based upon assumptions believed to be reasonable at the time made, but no assurance can be given that such assumptions will prove to be accurate forecasts of the future.

¹ Capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in the *Joint Plan of Reorganization of Conexant Systems, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* (the “*Plan*”).

While presented with numerical specificity, the Financial Projections are based upon a variety of assumptions and are subject to significant and material business, economic and competitive uncertainties and contingencies, many of which are beyond the control of the Debtors. Consequently, the inclusion of the Financial Projections herein should not be regarded as a guaranty by the Debtors (or any other person) that the Financial Projections will be realized, and actual results may vary materially from those presented below. The Financial Projections reflect an anticipated emergence from Chapter 11 on the close of business on May 24, 2013.

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995: These Financial Projections contain statements which constitute “forward-looking statements” within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995. “Forward-looking statements” in these Financial Projections include the intent, belief or current expectations of the Debtors and members of their management team with respect to the timing of, completion of and scope of the current restructuring, reorganization plan, strategic business plan, bank financing and debt and equity market conditions and the Debtors’ future liquidity, as well as the assumptions upon which such statements are based. While management believes that its expectations are based on reasonable assumptions within the bounds of its knowledge of its business and operations, parties in interest are strongly cautioned that any such forward-looking statements are not guarantees of future performance, and involve risks and uncertainties, and that actual results may differ materially from those contemplated by such forward-looking statements. Important factors currently known to management that could cause results to differ materially from those contemplated by the forward-looking statements in these Financial Projections include, but are not limited to, those risks and uncertainties set forth in the Disclosure Statement and other adverse developments with respect to the Debtors’ liquidity position or operations of the various businesses of the Reorganized Debtors, adverse developments in the capital markets or public or private markets for debt or equity securities, or adverse developments in the timing or results of the Debtors’ current strategic business plan (including the current timeline to emerge from chapter 11) and the possible negative effects that could result from potential economic and political factors around the world.

THE DEBTORS DO NOT, AS A MATTER OF COURSE, PUBLISH OR DISCLOSE THEIR FINANCIAL PROJECTIONS. ACCORDINGLY, THE DEBTORS DO NOT INTEND, AND DISCLAIM ANY OBLIGATION TO, (A) FURNISH UPDATED FINANCIAL PROJECTIONS TO HOLDERS OF CLAIMS OR INTERESTS AT ANY TIME IN THE FUTURE, (B) INCLUDE UPDATED INFORMATION IN ANY DOCUMENTS THAT MAY BE REQUIRED TO BE FILED WITH THE SECURITIES AND EXCHANGE COMMISSION OR (C) OTHERWISE MAKE UPDATED INFORMATION OR FINANCIAL PROJECTIONS PUBLICLY AVAILABLE.

THE SUMMARY PRO FORMA FINANCIAL PROJECTIONS AND RELATED INFORMATION PROVIDED HEREIN, THOUGH PRESENTED WITH NUMERICAL SPECIFICITY, ARE NECESSARILY BASED ON A VARIETY OF ESTIMATES AND ASSUMPTIONS WHICH, THOUGH CONSIDERED REASONABLE BY MANAGEMENT, MAY NOT BE REALIZED AND ARE INHERENTLY SUBJECT TO SIGNIFICANT BUSINESS, ECONOMIC AND COMPETITIVE UNCERTAINTIES AND CONTINGENCIES, MANY OF WHICH ARE BEYOND THE DEBTORS’ CONTROL. THE DEBTORS CAUTION THAT NO REPRESENTATIONS CAN BE MADE AS TO THE ACCURACY OF THESE FINANCIAL PROJECTIONS AND RELATED INFORMATION OR AS TO THE DEBTORS’ ABILITY TO ACHIEVE THE PROJECTED RESULTS. SOME ASSUMPTIONS INEVITABLY WILL NOT MATERIALIZE AND EVENTS AND CIRCUMSTANCES OCCURRING SUBSEQUENT TO THE DATE ON WHICH THESE FINANCIAL PROJECTIONS WERE PREPARED MAY BE DIFFERENT FROM THOSE ASSUMED OR MAY BE UNANTICIPATED, AND THUS MAY

AFFECT FINANCIAL RESULTS IN A MATERIAL AND POSSIBLY ADVERSE MANNER. THE FINANCIAL PROJECTIONS AND RELATED INFORMATION, THEREFORE, MAY NOT BE RELIED UPON AS A GUARANTY OR OTHER ASSURANCE OF THE ACTUAL RESULTS THAT WILL OCCUR. PARTIES IN INTEREST MUST MAKE THEIR OWN DETERMINATIONS AS TO THE REASONABLENESS OF SUCH ASSUMPTIONS AND THE RELIABILITY OF THE FINANCIAL PROJECTIONS.

CONEXANT SYSTEMS, INC. (OPERATING ENTITY)
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands)

	Actual	Forecast	Forecast	Forecast	Forecast	Forecast
	Fiscal Year Ended, September 28, 2012	Fiscal Year Ended, September 27, 2013	Fiscal Year Ended, October 3, 2014	Fiscal Year Ended, October 2, 2015	Fiscal Year Ended, September 30, 2016	Fiscal Year Ended, September 29, 2017
Net revenues	\$ 135,234	\$ 101,541	\$ 106,526	\$ 116,873	\$ 119,433	\$ 123,031
Cost of goods sold	54,424	42,835	42,347	48,501	50,913	52,384
Gross margin	80,810	58,705	64,179	68,373	68,520	70,647
Operating expenses:						
Research and development	48,371	40,422	27,998	27,983	28,262	29,054
Selling, general, and administrative	30,505	25,349	20,816	22,535	22,342	23,084
Special charges	56,503	19,425	742	14	-	-
Total operating expenses	135,379	85,196	49,556	50,532	50,604	52,138
Operating (loss) income	(54,569)	(26,491)	14,623	17,841	17,916	18,509
Interest expense	19,769	9,109	386	-	-	-
Other expense (income), net	(93)	29	-	-	-	-
(Loss) income from continuing operations before income taxes	(74,245)	(35,628)	14,238	17,841	17,916	18,509
Income tax (benefit) provision	(2,209)	809	1,064	1,064	1,064	1,064
(Loss) income from continuing operations	(72,036)	(36,438)	13,174	16,777	16,852	17,445
Loss from discontinued operations	(1,875)	(993)	-	-	-	-
Net (loss) income	\$ (73,911)	\$ (37,430)	\$ 13,174	\$ 16,777	\$ 16,852	\$ 17,445

CONEXANT SYSTEMS, INC. (OPERATING ENTITY)
CONSOLIDATED BALANCE SHEETS
(in thousands)

	Actual	Forecast	Forecast	Forecast	Forecast	Forecast
	Fiscal Year Ended, September 28, 2012	Fiscal Year Ended, September 27, 2013	Fiscal Year Ended, October 3, 2014	Fiscal Year Ended, October 2, 2015	Fiscal Year Ended, September 30, 2016	Fiscal Year Ended, September 29, 2017
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 29,915	\$ 11,652	\$ 15,890	\$ 31,869	\$ 49,893	\$ 66,952
Receivables	13,313	12,665	12,437	13,645	13,944	14,364
Inventories	6,901	8,432	7,843	8,233	8,471	8,716
Other current assets	7,266	6,558	6,558	6,558	6,558	6,558
Total current assets	57,395	39,307	42,729	60,306	78,867	96,590
Goodwill	191,533	74,431	74,431	74,431	74,431	74,431
Intangible assets	38,495	3,000	3,000	3,000	3,000	3,000
Other assets	19,376	17,066	15,176	13,485	12,095	10,854
Total assets	\$ 306,799	\$ 133,805	\$ 135,336	\$ 151,223	\$ 168,393	\$ 184,876
LIABILITIES AND SHAREHOLDERS' EQUITY						
Current liabilities:						
Revolver	\$ -	\$ 6,229	\$ -	\$ -	\$ -	\$ -
Current portion of long term debt	28	29	31	33	26	-
Accounts payable	9,396	7,774	6,307	6,725	8,369	8,658
Accrued compensation and benefits	3,759	3,103	2,687	2,990	3,042	3,187
Other current liabilities	29,243	8,602	8,555	8,175	8,030	7,860
Total current liabilities	42,425	25,738	17,580	17,923	19,467	19,705
Long- term debt	188,506	91	59	26	0	-
Other liabilities	53,503	11,249	7,796	6,596	5,396	4,196
Total liabilities	284,434	37,077	25,435	24,545	24,862	23,900
Total shareholders' equity	22,365	96,728	109,901	126,678	143,530	160,975
Total liabilities and shareholders' equity	\$ 306,799	\$ 133,805	\$ 135,336	\$ 151,223	\$ 168,393	\$ 184,876

CONEXANT SYSTEMS, INC. (OPERATING ENTITY)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Actual	Forecast	Forecast	Forecast	Forecast	Forecast
	Fiscal Year Ended, September 28, 2012	Fiscal Year Ended, September 27, 2013	Fiscal Year Ended, October 3, 2014	Fiscal Year Ended, October 2, 2015	Fiscal Year Ended, September 30, 2016	Fiscal Year Ended, September 29, 2017
Cash flows from operating activities:						
Net (loss) income	\$ (73,911)	\$ (37,430)	\$ 13,174	\$ 16,777	\$ 16,852	\$ 17,445
Depreciation	3,463	2,648	2,641	2,441	2,141	1,991
Amortization of intangible assets	6,579	2,066	-	-	-	-
Amortization of debt (premium) discount	(4,736)	(3,652)	-	-	-	-
Other items	54,222	(260)	-	-	-	-
Changes in assets and liabilities:						
Receivables	5,705	648	227	(1,208)	(299)	(420)
Inventories	4,415	(1,530)	589	(390)	(238)	(245)
Accounts payable	1,127	(947)	(1,467)	418	1,643	289
Accrued expenses and other current liabilities	(846)	(656)	(417)	303	52	145
Other, net	(7,482)	1,048	(3,530)	(1,611)	(1,378)	(1,396)
Net cash (used in) provided by operating activities	(11,464)	(38,065)	11,217	16,729	18,774	17,809
Cash flows from investing activities:						
Net cash (used in) provided by investing activities	3,175	(430)	(750)	(750)	(750)	(750)
Cash flows from financing activities:						
Net cash (used in) provided by financing activities	148	20,232	(6,229)	-	-	-
Net increase in cash and cash equivalents	(8,141)	(18,263)	4,238	15,979	18,024	17,059
Cash and cash equivalents at beginning of period	38,056	29,915	11,652	15,890	31,869	49,893
Cash and cash equivalents at end of period	\$ 29,915	\$ 11,652	\$ 15,890	\$ 31,869	\$ 49,893	\$ 66,952

Notes to the Financial Projections:

The Financial Projections reflect an anticipated emergence from Chapter 11 on the close of business on May 24, 2013.

As discussed in the Disclosure Statement, the Financial Projections assume that on the Effective Date, Holdco (i) will enter into the New Notes, which Notes are not guaranteed by any of Holdco's affiliates or subsidiaries, including Conexant Opco, in the amount of \$76 million, (ii) may enter into the New Working Capital Facility and (iii) will convert commitments outstanding under the DIP Facility Credit Agreement into equity Interests of reorganized Holdco.

The Debtors will use Cash on hand to make any payments provided for in the Plan, and the New Working Capital Facility may provide additional working capital after the Effective Date. The amount of Cash actually on hand on the Effective Date could vary to the extent the Debtors' actual receipts and disbursements vary from the amounts set forth in the Financial Projections.

Additionally, the Plan contemplates the issuance of New Common Stock, which stock will provide an additional source of recovery for holders of the Secured Note Claim and DIP Facility Claims.