

CONEXANT SYSTEMS INC

Form S-4/A

January 15, 2004

As filed with the Securities and Exchange Commission on January 15, 2004

Registration No. 333-111179

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 1
to
Form S-4

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

Conexant Systems, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
*(State or Other Jurisdiction of
Incorporation or Organization)*

3674
*(Primary Standard Industrial
Classification Code Number)*

25-1799439
*(I.R.S. Employer
Identification Number)*

4000 MacArthur Boulevard
Newport Beach, California 92660-3095
(949) 483-4600

*(Address, Including Zip Code, and Telephone Number, Including Area Code, of
Registrant's Principal Executive Offices)*

DENNIS E. O'REILLY, ESQ.
Senior Vice President, General Counsel and Secretary
Conexant Systems, Inc.
4000 MacArthur Boulevard
Newport Beach, California 92660-3095
(949) 483-4600

*(Name, Address, Including Zip Code, and Telephone Number, Including Area Code,
of Agent for Service)*

With Copies to:

PETER R. KOLYER, ESQ.
Chadbourn & Parke LLP
30 Rockefeller Plaza
New York, New York 10112
(212) 408-5100

JONATHAN P. CRAMER, ESQ.
Ropes & Gray LLP
45 Rockefeller Plaza
New York, New York 10111
(212) 841-5700

Approximate date of commencement of proposed sale to public: As soon as practicable following the effective date of this registration statement.

If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. ☐

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If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

To the stockholders of Conexant Systems, Inc. and GlobespanVirata, Inc.

MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT

The boards of directors of Conexant Systems, Inc. and GlobespanVirata, Inc. have each unanimously approved a strategic merger of the two companies. We want to merge our two companies because we believe that the combined company will be a worldwide leader in semiconductor solutions for broadband communications and the digital home. The combined company, which will be headquartered in Red Bank, New Jersey, will have approximately 2,400 employees worldwide. We believe that the merger will benefit the stockholders of both companies and we ask for your support in voting for the merger proposals at our respective stockholders' meetings.

In the merger, each share of GlobespanVirata common stock will be converted into the right to receive 1.198 shares of Conexant common stock and cash in lieu of fractional shares. After completion of the merger, the current stockholders of Conexant are expected to own approximately 62.75% and the current stockholders of GlobespanVirata are expected to own approximately 37.25% of Conexant. The merger will be tax-free to Conexant stockholders and GlobespanVirata stockholders, except, in the case of GlobespanVirata stockholders, for the receipt of cash instead of fractional shares of Conexant.

Conexant common stock is traded on the Nasdaq National Market System under the symbol **CNXT**.

In order to complete the merger, we must obtain the approvals of the stockholders of both of our companies. Each of us will hold a meeting of our stockholders to consider and vote on the merger proposals. GlobespanVirata will hold a special meeting of its stockholders for this purpose, and Conexant stockholders will vote on the merger proposals at the Conexant 2004 annual meeting of stockholders. Whether or not you plan to attend your company's stockholders' meeting, please take the time to vote by completing and mailing the enclosed proxy card to us or by submitting your proxy by telephone or via the Internet. If you sign, date and mail your proxy card without indicating how you want to vote, your proxy will be counted as a vote **FOR** the approvals sought in connection with the merger. For GlobespanVirata stockholders, if you do not return your proxy card, or if you do not instruct your broker how to vote any shares held for you in street name, the effect will be a vote against the merger.

Conexant stockholders will also vote on proposals to (i) approve amendments to the Conexant Directors Stock Plan, (ii) approve the assumption and adoption of certain GlobespanVirata stock plans, (iii) elect three members of the Conexant board of directors with terms expiring at the 2007 annual meeting of stockholders and (iv) ratify the appointment of Deloitte & Touche LLP as independent auditors for Conexant. Completion of the merger is a condition to the effectiveness of the first two additional Conexant proposals. Approval of the additional Conexant proposals is not a condition to completion of the merger.

The places, dates and times of the stockholders' meetings are as follows:

For Conexant stockholders:

Hilton Costa Mesa Hotel
3050 Bristol Street
Costa Mesa, California 92626
February 25, 2004, 10:00 a.m., local time

For GlobespanVirata stockholders:

Hilton Costa Mesa Hotel
3050 Bristol Street
Costa Mesa, California 92626
February 25, 2004, 10:00 a.m., local time

This document provides you with detailed information about the stockholders' meetings and the proposed merger. We urge you to read this material, including the section describing certain risk factors beginning on page 18.

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We enthusiastically support this combination of our two outstanding companies and join with all the other members of our respective boards of directors in recommending that you vote **FOR** the proposals described herein.

DWIGHT W. DECKER, PH.D.

*Chairman of the Board and
Chief Executive Officer
Conexant Systems, Inc.*

ARMANDO GEDAY

*President and Chief Executive Officer
GlobespanVirata, Inc.*

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under this joint proxy statement/prospectus or determined if this joint proxy statement/prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.

Joint Proxy Statement/ Prospectus dated January 16, 2004 and

first mailed to stockholders on January 20, 2004

ADDITIONAL INFORMATION

This joint proxy statement/prospectus incorporates important business and financial information about Conexant and GlobespanVirata from other documents that are not included in or delivered with this joint proxy statement/prospectus. This information is available to you without charge upon your written or oral request. You can obtain the documents incorporated by reference in this joint proxy statement/prospectus by requesting them in writing or by telephone from the appropriate company at one of the following addresses:

Conexant

Attention: Investor Relations
Conexant Systems, Inc.
4000 MacArthur Boulevard
Newport Beach, California 92660-3095
(949) 483-CNXT (2698)

GlobespanVirata

Attention: Investor Relations
GlobespanVirata, Inc.
100 Schulz Drive
Red Bank, New Jersey 07701
(732) 345-7500

If you would like to request any documents, please do so by February 16, 2004 in order to receive them before the stockholders meetings.

See **Where You Can Find More Information** that begins on page 113.

CONEXANT SYSTEMS, INC.

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held on February 25, 2004

To the Stockholders of Conexant Systems, Inc.:

We will hold the 2004 annual meeting of stockholders of Conexant Systems, Inc., a Delaware corporation, on February 25, 2004, at 10:00 a.m., local time, at the Hilton Costa Mesa Hotel, located at 3050 Bristol Street, Costa Mesa, California 92626, for the following purposes:

1. To consider and vote upon a proposal to approve the issuance of Conexant common stock in the merger of Concentric Sub, Inc., a Delaware corporation and a wholly-owned subsidiary of Conexant, with and into GlobespanVirata, Inc., a Delaware corporation, pursuant to the Agreement and Plan of Reorganization, dated as of November 3, 2003, as amended as of January 15, 2004 (the merger agreement), by and among Conexant, Concentric Sub and GlobespanVirata.
 2. To consider and vote upon a proposal to approve amendments to the Conexant Directors Stock Plan.
 3. To consider and vote upon a proposal to approve the assumption and adoption of GlobespanVirata's 1999 Equity Incentive Plan, 1999 Supplemental Stock Option Plan and Amended and Restated 1999 Stock Incentive Plan.
 4. To consider and vote upon a proposal to elect three members of the Conexant board of directors with terms expiring at the 2007 annual meeting of stockholders.
 5. To consider and vote upon a proposal to ratify the appointment by the Audit Committee of the Conexant board of directors of the accounting firm of Deloitte & Touche LLP as independent auditors for Conexant for the current fiscal year.
 6. To transact any other business as may properly come before the annual meeting or any adjournments or postponements of the meeting.
- Each of the proposals is more fully described in this joint proxy statement/ prospectus.

Holders of record of Conexant common stock at the close of business on January 2, 2004 will be entitled to notice of and to vote at the Conexant annual meeting and any adjournments or postponements of the meeting.

By Order of the Board of Directors

Dennis E. O'Reilly, Esq.
Secretary

Newport Beach, California
January 16, 2004

The board of directors of Conexant unanimously recommends that you vote **FOR** approval of the issuance of Conexant common stock in the merger pursuant to the merger agreement, **FOR** approval of amendments to the Conexant Directors Stock Plan, **FOR** approval of the assumption and adoption of the GlobespanVirata stock plans, **FOR** the election of the nominees for director and **FOR** ratification of the appointment of Deloitte & Touche LLP as independent auditors for Conexant.

The affirmative vote of a majority of the votes entitled to be cast by holders of shares of Conexant common stock present or represented by proxy and entitled to vote at the Conexant annual meeting, a quorum being present, is required to approve the proposals to approve the issuance of Conexant common stock in the merger, to approve amendments to the Conexant Directors Stock Plan, to approve the assumption and adoption of the GlobespanVirata stock plans and to ratify the appointment of Deloitte & Touche LLP as independent auditors for Conexant. The three nominees for election as directors of Conexant who receive the highest number of affirmative votes, a quorum being present, will be elected. Whether or not you plan to attend the Conexant annual meeting in person, please complete, date, sign and return the enclosed proxy card or voting instruction card in the enclosed envelope promptly or submit your proxy or voting instructions by calling 1-800-435-6710 or using the Internet (www.eproxy.com/cnxt) by following the instructions included with your proxy card. Please note that if your shares are not registered in your own name, your bank, broker or other institution holding your shares may not offer telephone or Internet voting. The enclosed envelope requires no postage if mailed in the United States. If you attend the Conexant annual meeting, you may vote in person if you wish, even if you have previously returned your proxy card or submitted your proxy instructions by telephone or the Internet. However, if you hold shares through a bank or broker and wish to vote in person at the meeting, you may not do so unless you receive a valid proxy from your bank or broker.

GLOBESPANVIRATA, INC.

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To Be Held on February 25, 2004

To the Stockholders of GlobespanVirata, Inc.:

We will hold a special meeting of stockholders of GlobespanVirata, Inc., a Delaware corporation, on February 25, 2004, at 10:00 a.m., local time, at the Hilton Costa Mesa Hotel, located at 3050 Bristol Street, Costa Mesa, California 92626, for the following purposes:

1. To consider and vote upon a proposal to approve and adopt the Agreement and Plan of Reorganization, dated as of November 3, 2003, as amended as of January 15, 2004 (the "merger agreement"), by and among Conexant Systems, Inc., a Delaware corporation, Concentric Sub, Inc., a Delaware corporation and a wholly-owned subsidiary of Conexant, and GlobespanVirata, and approve the merger contemplated thereby. Pursuant to the merger agreement, among other things, Concentric Sub will merge with and into GlobespanVirata, subject to the terms and conditions of the merger agreement. In the merger, Conexant will issue 1.198 shares of its common stock in exchange for each outstanding share of GlobespanVirata common stock and GlobespanVirata will become a wholly-owned subsidiary of Conexant. This proposal is more fully described in this joint proxy statement/prospectus; and

2. To transact any other business as may properly come before the special meeting or any adjournments or postponements of the meeting.

Holders of record of GlobespanVirata common stock at the close of business on January 2, 2004 will be entitled to notice of and to vote at the GlobespanVirata special meeting and any adjournments or postponements of the meeting.

By Order of the Board of Directors

Michael Otner, Esq.
Corporate Secretary

Red Bank, New Jersey
January 16, 2004

The board of directors of GlobespanVirata unanimously recommends that you vote **FOR approval and adoption of the merger agreement and approval of the merger.**

The affirmative vote of a majority of the outstanding shares of GlobespanVirata common stock entitled to vote is required to approve and adopt the merger agreement and approve the merger. Whether or not you plan to attend the GlobespanVirata special meeting in person, please complete, date, sign and return the enclosed proxy card in the enclosed envelope promptly or submit your proxy instructions by calling 1-800-PROXIES or using the Internet (www.voteproxy.com) by following the instructions included with your proxy card. Please note that if your shares are not registered in your own name, your bank, broker or other institution holding your shares may not offer telephone or Internet voting. The enclosed envelope requires no postage if mailed in the United States. If you attend the GlobespanVirata special meeting, you may vote in person if you wish, even if you have previously returned your proxy card or submitted your proxy instructions by telephone or the Internet. However, if you hold shares through a bank or broker and wish to vote in person at the meeting, you may not do so unless you receive a valid proxy from your bank or broker.

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QUESTIONS AND ANSWERS ABOUT THE MERGER

Q: Why are Conexant and GlobespanVirata proposing the merger?

A: We want to merge our two companies because we believe that the combined company will be a worldwide leader in semiconductor solutions for broadband communications and the digital home. While no assurances can be made, we believe that by combining we have the opportunity to capture significant operating efficiencies through scale and synergy. We believe that the combined company will deliver stronger financial performance and create more value for our stockholders, customers and employees than either company could operating independently.

Q: What will happen in the merger?

A: We are proposing to combine our companies in a strategic merger in which Concentric Sub, Inc., a newly-formed wholly-owned subsidiary of Conexant, will merge with and into GlobespanVirata, with GlobespanVirata surviving as a wholly-owned subsidiary of Conexant. We refer to this transaction as the merger.

Q: What will I receive in the merger?

A: *Conexant stockholders.* Each share of Conexant common stock and each option and warrant to purchase Conexant common stock will remain outstanding and unaffected by the merger.

GlobespanVirata stockholders. In the merger, GlobespanVirata stockholders will have their shares of GlobespanVirata common stock converted into shares of Conexant common stock at a rate of 1.198 Conexant shares for each GlobespanVirata share owned. Instead of fractional shares of Conexant common stock, GlobespanVirata stockholders will receive cash. Each option and warrant to purchase GlobespanVirata common stock outstanding immediately prior to the effective time of the merger will become an option or warrant to purchase shares of Conexant common stock for an adjusted number of shares and with an adjusted exercise price based on the 1.198 exchange ratio.

Outstanding GlobespanVirata stock options with exercise prices of \$20 or more per share issued under certain GlobespanVirata stock plans held by each person who immediately prior to the effective time of the merger is a GlobespanVirata employee or director and who immediately after the effective time of the merger will be a Conexant employee or director will not be converted into options to purchase Conexant common stock, but will become fully exercisable and vested and, if not exercised prior to the effective time of the merger, will automatically expire immediately prior to the effective time of the merger. Holders of these options will receive from GlobespanVirata a cash payment in respect of the expiration of these options.

We expect that, after completion of the merger, the current stockholders of Conexant will own approximately 62.75% and the current stockholders of GlobespanVirata will own approximately 37.25% of Conexant.

Q: What are stockholders being asked to vote on at the stockholders' meetings?

A: *Conexant stockholders.* Conexant stockholders will vote on a proposal to approve the issuance of Conexant common stock in the merger pursuant to the merger agreement. Conexant stockholders will also vote on proposals to (i) approve amendments to the Conexant Directors Stock Plan, (ii) approve the assumption and adoption of certain GlobespanVirata stock plans, (iii) elect three members of the Conexant board of directors with terms expiring at the 2007 annual meeting of stockholders and (iv) ratify the appointment of Deloitte & Touche LLP as independent auditors for Conexant. Completion of the merger is a condition to the effectiveness of the first two additional Conexant proposals. Approval of the additional Conexant proposals is not a condition to completion of the merger.

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GlobespanVirata stockholders. GlobespanVirata stockholders will vote on a proposal to approve and adopt the merger agreement and approve the merger.

Conexant and GlobespanVirata stockholders may also be asked to consider other matters as may properly come before their respective stockholders' meetings; however, Conexant and GlobespanVirata know of no other matters that will be presented for consideration at the stockholders' meetings.

Q: When are the stockholders' meetings?

A: Conexant's annual meeting and GlobespanVirata's special meeting each will take place at 10:00 a.m., local time, on February 25, 2004 at the location specified on the cover page of this joint proxy statement/prospectus.

Q: What stockholder approvals are needed?

A: For Conexant, the affirmative vote of a majority of the votes entitled to be cast by holders of shares of Conexant common stock present or represented by proxy and entitled to vote, a quorum being present, is required to approve each of the three proposals related to the merger: the issuance of Conexant common stock in the merger, the amendments to the Conexant Directors Stock Plan and the assumption and adoption of the GlobespanVirata stock plans and to approve the proposal to ratify the appointment of Deloitte & Touche LLP as independent auditors for Conexant. The three nominees for election as directors of Conexant who receive the highest number of affirmative votes, a quorum being present, will be elected. The Conexant board of directors unanimously recommends that you vote **FOR** the proposal to approve the issuance of Conexant common stock in the merger pursuant to the merger agreement, **FOR** the proposal to approve amendments to the Conexant Directors Stock Plan, **FOR** the proposal to approve the assumption and adoption of certain GlobespanVirata stock plans, **FOR** the proposal to elect the three nominees for director and **FOR** the proposal to ratify the appointment of Deloitte & Touche LLP as independent auditors for Conexant.

For GlobespanVirata, the affirmative vote of the holders of a majority of the outstanding shares of GlobespanVirata common stock entitled to vote is required to approve and adopt the merger agreement and approve the merger. The GlobespanVirata board of directors unanimously recommends that you vote **FOR** the proposal to approve and adopt the merger agreement and approve the merger.

Q: What do I need to do now?

A: After carefully reading and considering the information in this joint proxy statement/prospectus, please respond by completing, signing and dating your proxy card or voting instruction card and returning it in the enclosed, postage-paid envelope, or by submitting your proxy or voting instructions by telephone or through the Internet, as soon as possible so that your shares may be represented at your stockholders' meeting.

Q: What if I don't vote?

A: *Conexant stockholders.* If you fail to respond, it will not affect the number of votes for or against approval of any of the proposals to be presented at the Conexant annual meeting. If you respond and do not indicate how you want to vote, your proxy will be counted as a vote in favor of approval of each of the proposals to be presented at the Conexant annual meeting, unless your shares are held in "street name", as described in the next question. If you respond and abstain from voting, your proxy will have the same effect as a vote against approval of each of the proposals to be presented at the Conexant annual meeting (other than the election of directors).

GlobespanVirata stockholders. If you fail to respond, it will have the same effect as a vote against the merger. If you respond and do not indicate how you want to vote, your proxy will be counted as a

vote in favor of approval of the merger, unless your shares are held in street name, as described in the next question. If you respond and abstain from voting, your proxy will have the same effect as a vote against approval of the merger.

Q: If my shares are held in street name by my broker, will my broker vote my shares for me?

A: If you do not provide your broker with instructions on how to vote your street name shares, your broker will not be permitted to vote your shares on the proposals related to the merger. You should therefore be sure to provide your broker with instructions on how to vote your shares. Please check the voting form used by your broker to see if it offers telephone or Internet voting.

Conexant stockholders. If you do not give voting instructions to your broker with respect to a proposal related to the merger to be presented at the Conexant annual meeting, it will not affect the number of votes for or against approval of that proposal, unless you appear in person at the annual meeting with a valid proxy from your broker and vote on the proposal.

GlobespanVirata stockholders. If you do not give voting instructions to your broker with respect to the merger proposal, it will have the same effect as a vote against approval of the merger, unless you appear in person at the special meeting with a valid proxy from your broker and vote in favor of the merger proposal.

Q: Can I change my vote after I have delivered my proxy?

A: Yes. You can change your vote at any time before your proxy is voted at your stockholders' meeting. You can do this in one of three ways. First, you can revoke your proxy. Second, you can submit a new proxy. If you choose either of these two methods and you are a holder of record, you must submit your notice of revocation or your new proxy to the Secretary of Conexant or GlobespanVirata, as appropriate, before your respective stockholders' meeting. However, if your shares are held in street name by your broker, you should contact your broker to change your vote. Third, if you are a holder of record, or if your shares are held in street name and you receive a valid proxy from your broker, you can attend the stockholders' meeting and vote in person. If you submit your proxy or voting instructions by telephone or through the Internet, you can change your vote by submitting your proxy or voting instructions at a later date, using the same procedures, in which case your later submitted proxy or voting instructions will be recorded and your earlier proxy or voting instructions will be automatically revoked.

Q: Should I send in my stock certificates now?

A: No. Conexant stockholders will not need to do anything with their stock certificates. If you are a GlobespanVirata stockholder holding certificates for your GlobespanVirata shares, after the merger is completed, you will receive written instructions from the exchange agent on how to exchange your certificates representing shares of GlobespanVirata common stock for shares of Conexant common stock. **Please do not send in your stock certificates with your proxy.**

Q: Who is the exchange agent for the merger?

A: Mellon Investor Services LLC is the exchange agent.

Q: Where is Conexant common stock listed?

A: Conexant common stock is listed on the Nasdaq National Market System under the trading symbol CNXT.

Q: When will the merger be completed?

A: We are working to complete the merger as quickly as practicable. We expect to complete the merger promptly after the required stockholder approvals are obtained.

Q: What are the U.S. federal income tax consequences of the merger?

A: It is a condition to the merger that both Conexant and GlobespanVirata receive legal opinions from their respective tax counsel to the effect that the merger will qualify as a reorganization for U.S. federal income tax purposes. Assuming that the merger so qualifies, Conexant stockholders and GlobespanVirata stockholders generally will not recognize any taxable gain or loss for U.S. federal income tax purposes (except with respect to cash received by GlobespanVirata stockholders instead of fractional shares of Conexant common stock). In addition, neither Conexant nor GlobespanVirata will recognize any taxable gain or loss for U.S. federal income tax purposes as a result of the merger.

Q: Do I have appraisal rights?

A: No. Conexant and GlobespanVirata stockholders will not be entitled to exercise dissenters' or appraisal rights or to demand payment for their shares in connection with the merger.

Q: Who can help answer my questions?

A: If you have any questions about the merger or how to submit your proxy, or if you need additional copies of this joint proxy statement/prospectus or the enclosed proxy card or voting instruction card, you should contact:
Georgeson Shareholder Communications Inc.
17 State Street, 10th Floor
New York, New York 10004
Telephone: Banks and brokers call (212) 440-9800
All others call toll-free (800) 213-0409

If you are a Conexant stockholder, you may also contact:

Conexant Systems, Inc.
Attention: Investor Relations
4000 MacArthur Boulevard
Newport Beach, California 92660-3095
Telephone: (949) 483-CNXT (2698)

If you are a GlobespanVirata stockholder, you may also contact:

GlobespanVirata, Inc.
Attention: Investor Relations
100 Schulz Drive
Red Bank, New Jersey 07701
Telephone: (732) 345-7500

SUMMARY

This summary highlights selected information from this document. It does not contain all of the information that is important to you. You should carefully read the entire document and the other documents referred to or incorporated by reference in this document to fully understand the merger and any other matters to be considered at your stockholders' meeting. In particular, you should read the documents attached to this document, including the merger agreement attached as Annex A. See "Where You Can Find More Information" on page 113.

The Companies

Conexant Systems, Inc.

***4000 MacArthur Boulevard
Newport Beach, California 92660-3095
(949) 483-4600
www.conexant.com***

Conexant designs, develops and sells semiconductor system solutions for use in products driving broadband digital home information and entertainment applications. Conexant's solutions connect the client, or end-customer, side of personal communications access products such as personal computers (PCs), set-top boxes, residential gateways and game consoles to audio, video, voice and data services over broadband and dial-up Internet connections. In addition, Conexant's media processing products enable the capture, display, storage, playback and transfer of audio and video content in applications throughout the digital home and small office environments. Conexant has approximately 1,400 employees worldwide.

GlobespanVirata, Inc.

***100 Schulz Drive
Red Bank, New Jersey 07701
(732) 345-7500
www.globespanvirata.com***

GlobespanVirata is a leading provider of integrated circuits and software for broadband communications solutions for consumer, enterprise, personal computer and service provider markets. GlobespanVirata delivers complete system-level high-speed, cost-effective and flexible digital subscriber line, or DSL, and wireless networking chip sets, software and reference designs to leading global manufacturers of broadband access and wireless networking equipment. GlobespanVirata's products include broadband system-level solutions for modems, routers, residential gateways, and DSL access multiplexers, or DSLAMs, located in telephone service providers' central offices. GlobespanVirata also provides a wide variety of wireless networking chip sets and reference designs that are enabling a new generation of wireless connectivity in notebooks, PDAs, digital cameras, MP3 players and other handheld networking appliances. GlobespanVirata applies the industry's longest history in DSL and wireless networking development and deployment to offer unparalleled support to its more than 400 customers in bringing its proven broadband and wireless networking solutions to market. GlobespanVirata has approximately 1,000 employees worldwide.

The Merger

In the merger, Concentric Sub, Inc., a newly-formed wholly-owned Delaware subsidiary of Conexant, will merge with and into GlobespanVirata, with GlobespanVirata surviving as a wholly-owned subsidiary of Conexant. The combined company will be a Delaware corporation with its corporate headquarters in Red Bank, New Jersey and operating facilities around the world. The fiscal year of the combined company will end on the Friday closest to September 30 of each year. We expect to complete the merger promptly after the required stockholder approvals are obtained.

We have attached the merger agreement as Annex A to this document. We urge you to read the merger agreement. It is the legal document that governs the merger.

Reasons for the Merger

We want to merge our two companies because we believe that the combined company will be a worldwide leader in semiconductor solutions for broadband communications and the digital home. While no assurances can be made, we believe that by combining we have the opportunity to capture significant operating efficiencies through scale and synergy. We believe that the combined company will deliver stronger financial performance and create more value for our stockholders, customers and employees than either company could operating independently.

Our Recommendations to Stockholders

Conexant stockholders. The Conexant board of directors believes that the merger is fair to you and in your best interests, and unanimously recommends that you vote **FOR** the proposal to approve the issuance of Conexant common stock in the merger pursuant to the merger agreement, **FOR** the proposal to approve amendments to the Conexant Directors Stock Plan and **FOR** the proposal to approve the assumption and adoption of certain GlobespanVirata stock plans.

GlobespanVirata stockholders. The GlobespanVirata board of directors believes that the merger is fair to you and in your best interests, and unanimously recommends that you vote **FOR** the proposal to approve and adopt the merger agreement and approve the merger.

Exchange of Shares; Treatment of Fractional Shares

Conexant stockholders. After the merger, each outstanding share of Conexant common stock will remain outstanding and unaffected by the merger and each option and warrant to purchase Conexant common stock will also remain outstanding and unaffected by the merger. Conexant stockholders will not need to do anything with their stock certificates.

GlobespanVirata stockholders. In the merger, each outstanding share of GlobespanVirata common stock will become the right to receive 1.198 shares of Conexant common stock. We refer to this number as the exchange ratio .

No fractional shares of Conexant common stock will be issued in the merger. Instead of fractional shares of Conexant common stock, GlobespanVirata stockholders will receive checks representing the cash value of the fractional shares.

As soon as practicable after the effective time of the merger, a form of transmittal letter will be mailed by the exchange agent to GlobespanVirata stockholders who hold certificates for GlobespanVirata common stock. The transmittal letter will contain instructions with respect to the surrender of certificates representing GlobespanVirata common stock. **If you hold certificates for GlobespanVirata common stock, you should NOT return the certificates with the enclosed proxy and should NOT forward them to the exchange agent until you receive the letter of transmittal from the exchange agent.**

GlobespanVirata stockholders will receive shares of Conexant in book-entry form unless a physical certificate is requested. As soon as practicable after the effective time of the merger (or in the case of GlobespanVirata common stock held in certificated form, after receipt of a properly completed letter of transmittal, together with any other required documents), the exchange agent will (unless a physical certificate is requested) mail book-entry ownership account statements to GlobespanVirata stockholders indicating the number of shares of Conexant common stock owned by each such stockholder as a result of the merger.

Ownership of Conexant After the Merger

After completion of the merger, current Conexant stockholders are expected to own approximately 62.75% and current GlobespanVirata stockholders are expected to own approximately 37.25% of Conexant.

Material U.S. Federal Income Tax Consequences of the Merger

We will not be obligated to complete the merger unless, among other things, we receive legal opinions that the merger will be treated as a reorganization for U.S. federal income tax purposes. If these opinions are correct, the U.S. federal income tax treatment of the merger will be as we have described it in this joint proxy statement/prospectus. Assuming that the merger is treated as a reorganization, Conexant stockholders and GlobespanVirata stockholders generally will not recognize any taxable gain or loss for U.S. federal income tax purposes (except with respect to cash received by GlobespanVirata stockholders instead of fractional shares of Conexant common stock).

Neither Conexant nor GlobespanVirata will recognize any taxable gain or loss for U.S. federal income tax purposes as a result of the merger.

This tax treatment may not apply to all stockholders. Determining the actual tax consequences of the merger to you can be complicated. They will depend on your specific situation and on variables not within our control. You should consult your own tax advisor for a full understanding of the tax consequences of the merger to you.

Comparative Per Share Market Price Information

On October 31, 2003, the last trading day before we announced the merger, Conexant common stock closed at \$5.84 per share and GlobespanVirata common stock closed at \$6.15 per share. On January 15, 2004, Conexant common stock closed at \$ per share and GlobespanVirata common stock closed at \$ per share.

The market price of Conexant common stock and GlobespanVirata common stock will likely fluctuate prior to the merger, while the exchange ratio is fixed. You should obtain current stock price quotations for Conexant common stock and GlobespanVirata common stock.

Listing of Conexant Common Stock

Conexant common stock is listed on the Nasdaq National Market System under the trading symbol **CNXT** .

Opinions of Financial Advisors

Conexant stockholders. Among other factors considered in deciding to approve the issuance of Conexant common stock in the merger pursuant to the merger agreement, the Conexant board of directors received an opinion from Conexant's financial advisor, Credit Suisse First Boston LLC, that as of the date of the opinion, the exchange ratio was fair, from a financial point of view, to Conexant. We have attached the full text of Credit Suisse First Boston's written opinion dated November 3, 2003 as Annex B to this joint proxy statement/prospectus. You should read this opinion completely to understand the assumptions made, matters considered and limitations on the review undertaken by Credit Suisse First Boston in providing its opinion. **Credit Suisse First Boston's opinion is directed to the Conexant board and does not constitute a recommendation as to how any stockholder should vote with respect to any matter relating to the merger.**

GlobespanVirata stockholders. Among other factors considered in deciding to approve and adopt the merger agreement and approve the merger, the GlobespanVirata board of directors received an opinion from GlobespanVirata's financial advisor, Morgan Stanley & Co. Incorporated, that as of the date of the opinion and based on and subject to the considerations in its opinion, the exchange ratio pursuant to the merger agreement was fair from a financial point of view to holders of shares of GlobespanVirata common

stock. We have attached the full text of Morgan Stanley's written opinion dated November 2, 2003 as Annex C to this joint proxy statement/prospectus. You should read this opinion completely to understand the assumptions made, matters considered and limitations on the review undertaken by Morgan Stanley in providing its opinion. **Morgan Stanley's opinion is directed to the GlobespanVirata board and does not constitute a recommendation as to how any stockholder should vote with respect to any matter relating to the merger.**

Additional Proposals Related to the Merger to be Presented at the Conexant Annual Meeting

Conexant stockholders will also vote on proposals to approve (i) amendments to the Conexant Directors Stock Plan and (ii) the assumption and adoption of certain GlobespanVirata stock plans. The amendments to the Conexant Directors Stock Plan include an increase in the number of shares available for grants to non-employee directors of Conexant to accommodate the increase in the size of Conexant's board as a result of the merger. The proposed assumption and adoption of GlobespanVirata's 1999 Equity Incentive Plan, 1999 Supplemental Stock Option Plan and Amended and Restated 1999 Stock Incentive Plan would provide additional flexibility in the implementation of combined company incentive compensation programs by allowing shares that will be available for post-merger grants to GlobespanVirata employees to be available also for grants to Conexant employees.

Completion of the merger is a condition to the effectiveness of each of the additional proposals related to the merger. Approval of the additional proposals is not a condition to completion of the merger.

Record Date; Vote Required

Conexant stockholders. You can vote at the Conexant annual meeting if you owned Conexant common stock at the close of business on January 2, 2004. On that date, there were 278,205,844 shares of Conexant common stock outstanding and entitled to vote. You can cast one vote for each share of Conexant common stock that you owned on that date. In order to approve each of (i) the issuance of Conexant common stock in the merger pursuant to the merger agreement, (ii) the amendments to the Conexant Directors Stock Plan and (iii) the assumption and adoption of certain GlobespanVirata stock plans, the holders of a majority of the shares of Conexant common stock present or represented by proxy and entitled to vote, a quorum being present, must vote in favor of doing so.

GlobespanVirata stockholders. You can vote at the GlobespanVirata special meeting if you owned GlobespanVirata common stock at the close of business on January 2, 2004. On that date, there were 149,361,546 shares of GlobespanVirata common stock outstanding and entitled to vote. You can cast one vote for each share of GlobespanVirata common stock that you owned on that date. In order to approve and adopt the merger agreement and approve the merger, the holders of a majority of the outstanding shares of GlobespanVirata common stock entitled to vote must vote in favor of doing so.

No Dissenters' or Appraisal Rights

Conexant and GlobespanVirata stockholders will not be entitled to exercise dissenters' or appraisal rights or to demand payment for their shares in connection with the merger.

Management and Operations After the Merger

The board of directors of Conexant following the merger will be comprised of twelve directors, seven directors, including Dwight W. Decker, designated by Conexant and five directors, including Armando Geday, designated by GlobespanVirata. Mr. Decker, currently Conexant's chairman of the board and chief executive officer, will serve as non-executive chairman of the board of Conexant following the merger, Mr. Geday, currently GlobespanVirata's president and chief executive officer, will serve as chief executive officer and F. Matthew Rhodes, currently Conexant's president, will serve as president.

Conditions to Completion of the Merger

Completion of the merger depends on a number of conditions being met, including approval of the issuance of Conexant common stock in the merger pursuant to the merger agreement by Conexant stockholders, approval and adoption of the merger agreement and the merger by GlobespanVirata stockholders and receipt of regulatory approvals.

Where the law permits, a party to the merger agreement could elect to waive a condition to its obligation to complete the merger although that condition has not been satisfied. We cannot be certain when (or if) the conditions to the merger will be satisfied or waived or that the merger will be completed.

Termination of the Merger Agreement; Termination Fees

We can mutually agree at any time to terminate the merger agreement without completing the merger, even if the stockholders of both our companies have approved the proposals described in this joint proxy statement/ prospectus. In addition, either of us can decide, without the consent of the other, to terminate the merger agreement in a number of situations, including the final denial of a required regulatory approval, failure to obtain the stockholder approvals sought in connection with the merger, specified circumstances relating to a withdrawal or modification by the other party's board of directors of its recommendation of the merger, or the failure to complete the merger by December 31, 2004.

Each of Conexant and GlobespanVirata has agreed to pay a termination fee of \$35 million to the other party in the event that the merger agreement is terminated under specified circumstances.

Conexant and GlobespanVirata Stock Options

Conexant. After the merger, each outstanding Conexant stock option will remain outstanding without any adjustment.

GlobespanVirata. Upon completion of the merger, each outstanding GlobespanVirata stock option will be converted into an option to purchase a number of shares of Conexant common stock that is equal to the product of 1.198 multiplied by the number of shares of GlobespanVirata common stock that would have been obtained before the merger upon the exercise of the option, rounded to the nearest whole share. The exercise price per share will be equal to the exercise price per share of GlobespanVirata common stock subject to the option before the conversion divided by 1.198, rounded to the nearest whole cent. The conversion of incentive stock options will be effected in a manner that is consistent with section 424(a) of the Internal Revenue Code. The other terms of each GlobespanVirata option referred to above will continue to apply.

Outstanding GlobespanVirata stock options with exercise prices of \$20 or more per share issued under certain GlobespanVirata stock plans held by each person who immediately prior to the effective time of the merger is a GlobespanVirata employee or director and who immediately after the effective time of the merger will be a Conexant employee or director will not be converted into options to purchase Conexant common stock. Pursuant to the terms of the merger agreement and the applicable plan, these options will become fully exercisable and vested and, if not exercised prior to the effective time of the merger, will automatically expire immediately prior to the effective time of the merger. Holders of these options will receive from GlobespanVirata immediately prior to the effective time of the merger a cash payment in respect of the expiration of these options.

Waiver and Amendment

We may jointly amend the merger agreement, and each of us may waive our right to require the other party to adhere to the terms and conditions of the merger agreement, to the extent legally permissible.

Regulatory Approvals

We cannot complete the merger until, under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, we submit required filings to the Department of Justice and the Federal Trade Commission and satisfy waiting period requirements. Conexant and GlobespanVirata submitted the required filings on November 19, 2003. We received notice of the early termination of the waiting period under this Act on December 11, 2003.

Interests of Certain Persons in the Merger That are Different from Your Interests

Certain officers of each company have interests in the merger that are different from, or in addition to, their interests as stockholders in our companies. These interests exist principally because of employment and/or severance agreements that the officers have entered or will enter into with Conexant and/or GlobespanVirata. These agreements will provide these officers with current benefits as employees, as well as severance benefits if their employment with Conexant is terminated under certain circumstances after the merger. In addition, certain officers will receive grants of options to purchase Conexant common stock when the merger is completed. These officers will not be entitled to receive these benefits if the merger does not occur.

Also, following the merger, Conexant will indemnify, and provide directors and officers insurance for, the directors and officers of GlobespanVirata for events occurring before the merger, including events that are related to the merger agreement. Additional interests of some of the directors and officers of Conexant and GlobespanVirata are described under *The Merger*, *Interests of Certain Persons in the Merger* and *Management and Operations After the Merger*.

The members of our respective boards of directors were aware of these additional interests, and considered them, among other matters, when they approved the merger agreement and the merger.

Accounting Treatment

The merger will be accounted for by Conexant, the acquiring enterprise, as a purchase under generally accepted accounting principles in the U.S.

Other Matters to be Considered at the Conexant Annual Meeting

Conexant stockholders will also vote on proposals to (i) elect three members of the Conexant board of directors with terms expiring at the 2007 annual meeting of stockholders and (ii) ratify the appointment of the accounting firm of Deloitte & Touche LLP as independent auditors for Conexant for the current fiscal year. The three nominees for election as directors of Conexant who receive the highest number of affirmative votes, a quorum being present, will be elected. The affirmative vote of a majority of the votes entitled to be cast by holders of shares of Conexant common stock present or represented by proxy, a quorum being present, is required to approve the appointment of Deloitte & Touche LLP. Approval of the additional proposals is not a condition to the merger.

The Conexant board of directors unanimously recommends that you vote **FOR** the proposal to elect the three nominees for director and **FOR** the proposal to ratify the appointment of Deloitte & Touche LLP as independent auditors for Conexant.

Selected Historical Financial Information

We are providing the following historical financial information to help you analyze certain financial aspects of the merger. We derived this information from audited financial statements of each company for each of their five most recent fiscal years and from unaudited financial statements of GlobespanVirata for the nine months ended September 28, 2003 and September 29, 2002. The information should be read together with our respective historical financial statements and related notes contained in the annual and

quarterly reports and other information that we have filed with the Securities and Exchange Commission. See [Where You Can Find More Information](#) .

You should also read all of the financial information we provide in the following tables together with the pro forma financial information we provide in this joint proxy statement/ prospectus, which you can find under [Unaudited Pro Forma Condensed Combined Financial Information](#) .

Conexant Systems, Inc.

The following selected financial information for the five years ended September 30, 2003 was derived from the audited consolidated financial statements of Conexant and its subsidiaries, and its predecessor Rockwell Semiconductor Systems, Inc., representing the semiconductor systems business of Rockwell International Corporation, or Rockwell, and its subsidiaries. In June 2002, Conexant completed the spin-off and merger of its wireless communications business with Alpha Industries, Inc. and the sale of its Mexicali Operations, and in June 2003, Conexant completed the spin-off of its Mindspeed Technologies Internet infrastructure business. The selected financial information for all periods has been restated to reflect these businesses as discontinued operations.

The financial information for the years and as of the dates presented below is derived from the audited consolidated financial statements of Conexant. The fiscal 1999 selected financial information includes the operating results of Conexant while it was part of Rockwell prior to January 1, 1999. The financial information for the period prior to January 1, 1999 is not necessarily indicative of what the financial position or results of operations would have been had Conexant been an independent public company during that period. The selected financial information should be read in conjunction with Conexant's Management's Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and notes thereto, incorporated by reference into this joint proxy statement/prospectus.

	Year Ended September 30,				
	2003	2002	2001	2000	1999
(in thousands, except per share data)					
Statement of Operations Information:					
Net revenues	\$ 599,977	\$ 521,726	\$ 541,688	\$ 1,211,410	\$ 990,486
Cost of goods sold	338,161	317,921	522,560	692,551	638,950
Gross margin	261,816	203,805	19,128	518,859	351,536
Operating expenses:					
Research and development	159,354	156,350	175,026	186,618	157,039
Selling, general and administrative	93,426	95,750	141,276	154,992	156,914
Amortization of intangible assets	3,437	19,489	19,814	11,508	3,109
Special charges (1)	18,379	30,499	369,258	35,000	34,274
Total operating expenses	274,596	302,088	705,374	388,118	351,336
Operating income (loss)	(12,780)	(98,283)	(686,246)	130,741	200
Debt conversion costs		(10,435)	(42,584)		
Gain on extinguishment of debt	42,021		11,710		
Other income (expense), net	(5,808)	(36,870)	837	4,896	5,647
Income (loss) before income taxes	23,433	(145,588)	(716,283)	135,637	5,847
Provision (benefit) for income taxes	(129)	(1,838)	(55,373)	35,985	5,286
Income (loss) from continuing operations	23,562	(143,750)	(660,910)	99,652	561
Income (loss) from discontinued operations (2)	(728,877)	(737,017)	(784,424)	(290,579)	12,368
Net income (loss)	\$ (705,315)	\$ (880,767)	\$ (1,445,334)	\$ (190,927)	\$ 12,929

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Income (loss) from continuing
operations per share:

Basic	\$	0.09	\$	(0.56)	\$	(2.70)	\$	0.47	\$	(3)
Diluted		0.09		(0.56)		(2.70)		0.47		(3)

As of September 30,

	2003	2002	2001	2000	1999
(in thousands)					
Balance Sheet Information:					
Working capital	\$233,017	\$ 443,948	\$ 444,974	\$1,319,638	\$ 604,453
Total assets	931,707	1,911,035	2,815,480	4,416,197	1,841,950
Long-term obligations	643,260	743,523	761,927	1,054,934	432,076
Shareholders' equity	166,766	947,827	1,773,176	2,906,759	1,035,153

- (1) In fiscal 2003 and fiscal 2002, Conexant recorded special charges of \$18.4 million and \$30.5 million, respectively, principally related to the impairment of certain assets and restructuring activities. In fiscal 2001, Conexant recorded special charges of \$369.3 million, principally related to the impairment of certain manufacturing assets and restructuring activities. In fiscal 2000, Conexant recorded special charges of \$35.0 million related to the settlement of certain litigation. In fiscal 1999, Conexant recorded additional special charges of \$34.3 million related to restructuring actions initiated in fiscal 1998.
- (2) Income (loss) from discontinued operations (net of income taxes) for all periods represents the operating results of Conexant's former wireless communications business and its Mexicali Operations which were disposed of in June 2002 and the Mindspeed Technologies Internet infrastructure business which was disposed of in June 2003.
- (3) Income from continuing operations per share for this period reflects Conexant's October 1999 2-for-1 stock split. Because Conexant was not an independent company during all of fiscal year 1999, per share amounts for that year were calculated as if the spin-off from Rockwell had occurred on October 1, 1998.

GlobespanVirata, Inc.

The following selected historical consolidated financial information as of and for the nine months ended September 28, 2003 and September 29, 2002 was derived from the unaudited condensed consolidated financial statements of GlobespanVirata. The selected historical consolidated financial information as of and for the years ended December 31, 2002, 2001, 2000, 1999 and 1998 was derived from consolidated financial statements of GlobespanVirata audited by PricewaterhouseCoopers LLP, independent accountants. This information should be read in conjunction with GlobespanVirata's Management's Discussion and Analysis of Financial Condition and Results of Operations and the financial statements, including the notes thereto, incorporated by reference into this joint proxy statement/prospectus.

	Nine Months Ended		Years Ended December 31,				
	Sept. 28, 2003 (1)	Sept. 29, 2002	2002	2001	2000	1999	1998
	(unaudited)		(in thousands, except per share data)				
Statement of Operations Information:							
Net product revenues	\$ 241,847	\$ 177,738	\$ 225,368	\$ 249,459	\$ 345,638	\$ 56,220	\$ 31,464
Cancellation revenues			3,500	15,391			
Total net revenues	241,847	177,738	228,868	264,850	345,638	56,220	31,464
Cost of sales	127,874	85,800	111,924	107,779	142,060	20,879	9,882
Cost of sales related to termination charge						1,119	
Cost of sales related to cancellation revenues				1,075			
Cost of sales Provision for excess and obsolete inventory				80,852			
Total cost of sales	127,874	85,800	111,924	189,706	142,060	21,998	9,882
Gross profit	113,973	91,938	116,944	75,144	203,578	34,222	21,582
Operating expenses							
Research and development (including non-cash compensation of \$28,631, \$22,920, and \$16,761 for the years ended December 31, 2002, 2001 and 2000, and \$8,271 and \$24,618 for the nine months ended September 28, 2003 and September 29, 2002)	76,666	116,395	145,755	132,775	113,438	26,531	18,694
Selling, general and administrative (including non-cash compensation of \$2,293, \$3,851 and \$7,356 for the years ended December 31, 2002, 2001 and 2000, and \$2,757 and \$1,847 for the nine months	31,598	39,677	50,268	43,983	53,504	14,389	10,217

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ended September 28, 2003 and September 29, 2002)							
Restructuring and other charges	1,696	20,200	37,832	44,752			
Amortization of intangible assets and other	17,740	27,289	32,730	209,178	130,572		583
In process research and development	26,000			21,000	44,854		
Impairment of goodwill and other acquired intangible assets		493,620	493,620				
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total operating expenses	153,700	697,181	760,205	451,688	342,368	40,920	29,494
Loss from operations	(39,727)	(605,243)	(643,261)	(376,544)	(138,790)	(6,698)	(7,912)
Interest expense non-cash					43,439		
Gain on the redemption of the beneficial conversion feature					(43,439)		

	Nine Months Ended		Years Ended December 31,				
	Sept. 28, 2003 (1)	Sept. 29, 2002	2002	2001	2000	1999	1998
	(unaudited)		(in thousands, except per share data)				
Interest and other (income) expense, net	(852)	(5,015)	(6,690)	(442)	(1,902)	(1,133)	134
Foreign exchange (gain) loss			38		(63)		
Loss from continuing operations before income taxes	(38,875)	(600,228)	(636,609)	(376,102)	(136,825)	(5,565)	(8,046)
Provision (benefit) for income taxes	(195)	260	260	(4,111)	15,131		(217)
Loss from continuing operations	(38,680)	(600,488)	(636,869)	(371,991)	(151,956)	(5,565)	(7,829)
Preferred stock deemed dividend and accretion						(3,466)	
Loss from continuing operations	(38,680)	(600,488)	(636,869)	(371,991)	(151,956)	(9,031)	(7,829)
Discontinued Operations							
Net loss from operations of discontinued businesses (including net loss on the sale of the video compression business of \$3,887 during the year ended December 31, 2002)	(9,274)	(15,673)	(18,098)	(5,530)	(1,143)		
Net loss	<u>\$ (47,954)</u>	<u>\$ (616,161)</u>	<u>\$ (654,967)</u>	<u>\$ (377,521)</u>	<u>\$ (153,099)</u>	<u>\$ (9,031)</u>	<u>\$ (7,829)</u>
Other comprehensive (gain) loss							