

ASIAINFO-LINKAGE, INC
Form DEF 14A
February 28, 2012
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

SCHEDULE 14A

Rule 14a-101

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e) (2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Under §240.14a-12

ASIAINFO-LINKAGE, INC.

(Name of Registrant as Specified In Its Charter)

N/A

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i) (4) and 0-11.

- 1) Title of each class of securities to which transaction applies:

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2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

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ASIAINFO-LINKAGE, INC.

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD ON APRIL 20, 2012

February 28, 2012

TO THE STOCKHOLDERS OF ASIAINFO-LINKAGE, INC.:

You are cordially invited to attend the annual meeting of stockholders of AsiaInfo-Linkage, Inc., a Delaware corporation (we, us or AsiaInfo-Linkage), to be held on April 20, 2012 at 3:00 p.m., local time, at 4th Floor, Zhongdian Information Tower, 6 Zhongguancun South Street, Haidian District, Beijing, People s Republic of China. At this year s annual meeting, we are asking stockholders to:

1. Elect three directors to serve for three-year terms to expire at the 2015 annual meeting of stockholders and until their successors are duly elected and qualified;
2. Ratify the appointment of Deloitte Touche Tohmatsu CPA Ltd. as the independent registered public accounting firm of AsiaInfo-Linkage for the fiscal year ending December 31, 2012;
3. Approve, on an advisory (non-binding) basis, executive compensation; and
4. Transact such other business as may properly come before the meeting or any adjournment thereof.

This notice of meeting, Proxy Statement and a proxy card copy of the Annual Report on our operations during the year ended December 31, 2011 are being made available electronically over the Internet on or about February 28, 2012. The foregoing items of business are more fully described in the Proxy Statement. Stockholders of record at the close of business on February 22, 2012 are entitled to notice of and to vote at the annual meeting and any adjournment thereof. A list of these stockholders will be available for inspection during ordinary business hours at our principal executive offices, at 4th Floor, Zhongdian Information Tower, 6 Zhongguancun South Street, Haidian District, Beijing, PRC, from April 10, 2012 until the date of the annual meeting. The list will also be available for inspection at the annual meeting.

IMPORTANT: All stockholders are cordially invited to attend the annual meeting in person. To assure your representation at the annual meeting, you are urged to vote your shares by telephone, the Internet, or by signing and returning the enclosed proxy card as promptly as possible in the enclosed self-addressed envelope. Any stockholder attending the annual meeting may vote in person even if he or she returned a proxy. However, if a stockholder s shares are held of record by a broker, bank or other nominee and the stockholder wishes to vote at the annual meeting, the stockholder must obtain from the record holder a proxy issued in his or her name.

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to Be Held on April 20, 2012. Our Proxy Statement and Annual Report to Stockholders are available at <http://www.proxyvoting.com/asia>.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Jian (James) Ding
Jian (James) Ding

Co-Chairman of the Board of Directors

/s/ Libin Sun
Libin Sun

Executive Co-Chairman of the Board of Directors

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ASIAINFO-LINKAGE, INC.

4th Floor, Zhongdian Information Tower

6 Zhongguancun South Street

Haidian District

Beijing 100086, PRC

PROXY STATEMENT

2012 ANNUAL MEETING OF STOCKHOLDERS

This Proxy Statement and accompanying proxy was first mailed to stockholders (or made available electronically over the Internet) on or about February 28, 2012, in connection with the solicitation of proxies by the Board of Directors (Board) of AsiaInfo-Linkage, Inc., a Delaware corporation (we, us or AsiaInfo-Linkage), for use at the annual meeting of stockholders to be held on April 20, 2012, at 3:00 p.m., local time, at our principal executive offices located at 4th Floor, Zhongdian Information Tower, 6 Zhongguancun South Street, Haidian District, Beijing, PRC, or at any adjournment or postponement thereof, for the purposes set forth herein and in the accompanying Notice of Annual Meeting of Stockholders (the Annual Meeting). Our telephone number at our principal executive offices is +8610-8216-6688.

INFORMATION CONCERNING SOLICITATION AND VOTING

Record Date and Share Ownership

Stockholders of record at the close of business on February 22, 2012, which date is referred to herein as the record date, are entitled to notice of and to vote at the Annual Meeting. As of the record date, 72,497,518 shares of our common stock were issued and outstanding and held of record by approximately 710 registered stockholders.

Voting, Solicitation and Revocability of Proxy

Registered stockholders can vote by mail, telephone or the Internet. Please note that voting via the Internet is a valid proxy voting method under the laws of the State of Delaware (our state of incorporation). Telephone voting can be accessed by calling the toll-free number (in the United States only) 1-866-540-5760. Internet voting can be accessed by logging on to the following Internet address: <http://www.proxyvoting.com/asia>. Telephone and Internet voting information is provided on the proxy card. A control number located on the proxy card is designed to verify each stockholder's identity and allow stockholders to vote their shares and confirm that their voting instructions have been properly recorded. If your shares are held in the name of a bank, broker or other nominee, follow the voting instructions on the form you receive from your bank, broker or other nominee. For such shares, the availability of telephone or Internet voting depends on the voting process of your bank, broker or other nominee.

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If you do not choose to vote by telephone or the Internet, you may still return your proxy card, properly signed, and the shares represented will be voted in accordance with your directions. You can specify your choices by marking the appropriate boxes on the proxy card. If your proxy card is signed and returned without specifying choices, the shares will be voted in favor of Proposals 1 through 3. If you vote by telephone or the Internet, it is not necessary to return your proxy card.

You may revoke your proxy at any time before it is voted at the Annual Meeting by casting a different vote by telephone or the Internet, by executing a later-voted proxy by mail, by voting by ballot at the Annual Meeting, or by providing written notice of the revocation to Shanniang (Deborah) Lv, our Legal Counsel, at our principal executive offices.

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Your vote is important. Accordingly, regardless of whether you plan to attend the Annual Meeting, you are urged to vote by telephone, by the Internet, or by signing and returning the accompanying proxy card. If you do attend, you may vote by ballot at the Annual Meeting, thereby canceling any proxy previously given. However, attendance at the Annual Meeting will not revoke a proxy unless you actually vote in person at the Annual Meeting.

In the event that any matter not described in this Proxy Statement properly comes before the Annual Meeting, the proxy holders named in the accompanying proxy will vote the shares represented by the proxy in their discretion. As of the date of this Proxy Statement, we are not aware of any other matter that might be presented at the Annual Meeting.

Each share of common stock outstanding on the record date is entitled to one vote. The required quorum for the transaction of business at the Annual Meeting is a majority of the votes eligible to be cast by holders of shares of common stock issued and outstanding on the record date, present in person or represented by proxy. Stockholders may withhold authority to vote for one or more of the nominees for director and may abstain on one or more of the other matters that may come before the Annual Meeting. The inspector of election appointed for the Annual Meeting will determine the existence of a quorum and will tabulate the votes cast at the Annual Meeting. For purposes of determining the presence of a quorum, abstentions and broker non-votes (shares held by a bank, broker or other nominee that does not have the authority, either express or discretionary, to vote on a particular matter) will be counted by us as present at the Annual Meeting. Abstentions will be counted by us in determining the total number of votes cast with respect to a proposal (other than the election of directors). Broker non-votes will not be counted as votes cast with respect to a proposal and will have no effect on the outcome of the vote on such proposal. If, however, a quorum is not present or represented, the stockholders present in person or represented by proxy have the power to adjourn the Annual Meeting from time to time, without notice other than announcement at the Annual Meeting, until a quorum is present or represented. Under the rules regulating banks, brokers or other nominees who are members of the New York Stock Exchange, or the NYSE, and under applicable rules of the U.S. Securities and Exchange Commission, or the SEC, brokers, banks or other nominees that have not received voting instructions from a customer ten days prior to the meeting date may only vote the customer's shares in discretion of the bank, broker or other nominee on proposals regarding routine matters, which in most cases includes the ratification of the appointment of the independent registered public accounting firm. However, without your specific instructions, your bank, broker, or other nominee may not vote your shares in the election of directors or the stockholder advisory vote on executive compensation.

The cost of soliciting proxies will be borne by us. Proxies may be solicited by certain of our directors, officers and employees, without additional compensation, in person or by telephone, email or facsimile. We have engaged Morrow & Co., LLC, 470 West Ave., Stamford, Connecticut 06902, to assist with the solicitation of proxies for an estimated fee of \$5,500 plus reasonable out-of-pocket expenses. In addition, we may reimburse brokerage firms and other persons representing beneficial owners of shares for their expenses in forwarding solicitation materials to such beneficial owners.

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Our Bylaws provide that our Board shall consist of not less than three nor more than ten directors. Our Board consists of nine directors, divided into three classes: Class I, Class II and Class III. Each class has a three-year term. The Class I Directors are Messrs. Jian (James) Ding, Yungang Lu and Libin Sun, the Class II Directors are Messrs. Steve Zhang, Thomas J. Manning and Sean Shao, and the Class III Directors are Messrs. Suning (Edward) Tian, Davin A. Mackenzie and Xiwei Huang. At the Annual Meeting, the stockholders will vote on the election of the three Class I Directors to serve for three-year terms until our 2015 annual meeting of stockholders. The Class II Directors will hold office until our 2013 annual meeting of stockholders and the Class III Directors will hold office until our 2014 annual meeting of stockholders. All directors will hold office until the annual meeting of stockholders at which their terms expire and the election and qualification of their successors. Unless otherwise instructed, the proxy holders will vote the proxies received by them for the nominees named below, all of whom are presently directors. If any nominee is unable or declines to serve as a director at the time of the Annual Meeting, although we know of no reason to anticipate that this will occur, the proxies will be voted for any nominee designated by the present Board to fill the vacancy. If stockholders properly nominate persons other than our nominees for election as directors, the proxy holders will vote all proxies received by them to assure the election of as many of our nominees as possible, with the proxy holder making any required selection of specific nominees to be voted for. There are no family relationships among any of our directors or executive officers.

Nominees for Class I Directors

Certain information regarding the nominees is set forth below:

Name of Nominee	Age	Principal Occupation	Director Since
Jian (James) Ding	46	Co-Chairman of the Board of AsiaInfo-Linkage, Inc.	1993
Yungang Lu	48	Director of AsiaInfo-Linkage, Inc.	2004
Libin Sun	49	Executive Co-Chairman of the Board of AsiaInfo-Linkage, Inc.	2010

Jian (James) Ding served as the Chairman of our Board between April 2003 and July 2010, has served as a Co-Chairman of our Board since July 2010, and has served as a member of our Board since our inception. Mr. Ding is currently a general partner of GSR Ventures, a venture capital fund, a role in which he has served since June 2005. He has also served as Chairman of the Board of United ITV, Inc., a provider of distribution and marketing channels in China, since September 2004 and as an independent director of Baidu.com, Inc., a Chinese Internet search company, since August 2005. He served as our Chief Executive Officer from May 1999 until April 2003, as our Senior Vice President for Business Development and Chief Technology Officer from 1997 to 1999, and as our Senior Vice President and Chief Technology Officer from 1993 to 1997. Mr. Ding received an M.S. in Information Science from the University of California, Los Angeles and is a graduate from the Executive Program of Haas Business School at University of California, Berkeley.

Mr. Ding has extensive executive experience in China's information technology industry and historical knowledge of our operations. Mr. Ding also provides strong financial and operational expertise to our Board.

Yungang Lu has served as a member of our Board since July 2004. Mr. Lu is now Managing Director of Seres Asset Management Limited, an investment manager based in Hong Kong, where he has served since August 2009. Mr. Lu also serves as a board director of the following listed companies: China Techfaith Wireless

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Communication Technology Ltd., a handheld device company in China, Enerchina Holdings Ltd., a clean energy company and public utility developer in China, and China Cord Blood Corporation, a provider of cord blood storage services in China. From 2004 to July 2009, Mr. Lu was a Managing Director of APAC Capital Advisors Limited, a Hong Kong-based investment manager specializing in Greater China equities. Mr. Lu was a research analyst with Credit Suisse First Boston (Hong Kong), a financial services company, from 1998 to 2004, where his last position was the head of China Research. Before moving to Credit Suisse, he worked as an equity analyst focused on regional infrastructure at JP Morgan Securities Asia, a financial services company, in Hong Kong. Mr. Lu received a B.S. in Biology from Beijing University, an M.S. in Biochemistry from Brigham Young University and a Ph.D. in Finance from the University of California, Los Angeles.

Mr. Lu has extensive experience in corporate finance and service as a director in China-based public companies, including risk assessment. Mr. Lu provides management and valuable public company expertise to our Board.

Libin Sun has been our Executive Co-Chairman and a member of our Board since July 2010. Mr. Sun founded and served as the Chairman of the Board of Linkage Technologies International Holdings Limited, or Linkage, a telecommunications software company in China, where he also served as its Chief Executive Officer from January 2009 to July 2010 and its President from 1997 to January 2007. Mr. Sun has over 20 years of experience in the software and electronics industries and has been a member of the Standing Committee of Jiangsu Software Industry Association since 2005 and the Director General of the Nanjing Software Export Association since 2003. Mr. Sun received a B.S. in precision electron-machinery engineering from Northwest Telecommunication Engineering College and an M.B.A. from China Europe International Business School.

Mr. Sun has extensive experience in the software and telecommunications industry in China and significant knowledge of Linkage's historical operations. Mr. Sun provides our Board a valuable resource regarding strategic planning and corporate operations.

Vote Required

Directors are elected by a plurality of the votes cast at the Annual Meeting, assuming a quorum is present. Abstentions and broker non-votes are counted for quorum purposes but have no effect on the vote. Banks, brokers and other nominees who have not received voting instructions from their customers with respect to shares held beneficially for such customers may not vote such shares on a discretionary basis for the election of any director. Stockholders do not have cumulative voting rights in the election of directors.

Recommendation of Our Board

Our Board recommends that AsiaInfo-Linkage stockholders vote **FOR** the election of the three Class I nominees listed above.

CORPORATE GOVERNANCE

Director Independence

Our Board consists of nine directors. In accordance with the current listing standards of The NASDAQ Stock Market, or Nasdaq, our Board, on an annual basis, affirmatively determines the independence of each director or nominee for election as a director. Our Board has determined that, with the exception of Steve Zhang, Thomas J. Manning, Libin Sun, and Xiwei Huang, all of its members are independent directors, using the definition of that term in the listing standards of Nasdaq. In making these determinations, our Board has concluded that none of those members has an employment, business, family or other relationship which, in the opinion of our Board, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

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Board Leadership Structure

In accordance with our Bylaws, our Board elects our officers, including a President and Chief Executive Officer, or CEO, a Chief Financial Officer, or CFO, and such other officers as our Board may appoint from time to time. In addition, our Board may appoint a Chairman or any number of Co-Chairmen. At present, Jian (James) Ding, an independent director, and Libin Sun, our Executive Co-Chairman, each serve as Co-Chairmen, and Steve Zhang serves as our President and CEO.

Mr. Sun had served as the Chairman and Chief Executive Officer of Linkage, overseeing the historical day-to-day business of Linkage and its management while also leading its board of directors. Our Board believes that having Mr. Sun serve as an Executive Co-Chairman provides valuable perspective to our Board with respect to the historical business of Linkage and our current company and assists our overall leadership structure at an important phase in our strategic development.

Either or both of the Co-Chairmen of our Board may preside at meetings of our Board. In their absence, the Chair of our Nominating and Corporate Governance Committee, or in such person's absence the independent director present who has the most seniority on our Board, is responsible for chairing Board meetings. Either or both of the Co-Chairmen of our Board also may preside at meetings of our stockholders and receive and distribute to our Board, and arrange for responses to, communications from stockholders.

Our Board believes that separating the positions of the Co-Chairmen and the CEO allows our CEO to focus on our day-to-day business, while allowing the Co-Chairmen of our Board to lead our Board in its fundamental role of providing advice to and independent oversight of management. Our Board recognizes the time, effort, and energy that our CEO is required to devote to his position in the current business environment, as well as the commitment required to serve as our Co-Chairmen, particularly as our Board's oversight responsibilities continue to grow. While our Bylaws and Corporate Governance Guidelines do not require that our Chairman and CEO positions be separate, our Board believes that separating these positions is the appropriate leadership structure for us at this time and demonstrates our commitment to good corporate governance.

Board's Role in Risk Oversight

Risk is inherent in every business, and how well a business manages risk can ultimately determine its success. We face a number of risks, including strategic risks, enterprise risks, financial risks, regulatory risks, and others. Management is responsible for the day-to-day management of the risks we face, while our Board, as a whole and through its committees, has responsibility for the oversight of risk management. In its risk oversight role, our Board has the responsibility to satisfy itself that the risk management processes designed and implemented by management are adequate and functioning as designed.

Our Board believes that establishing the right tone at the top, and full and open communication between management and our Board, are essential for effective risk management and oversight. Our Co-Chairmen meet regularly with our President and CEO and other senior officers to discuss strategy and the risks we face. Senior management attends our quarterly Board meetings and is available to address any questions or concerns raised by our Board on risk management-related and any other matters. Each quarter, our Board receives presentations from senior management on strategic matters involving our operations. Our Board holds strategic planning sessions with senior management to discuss strategies, key challenges, and risks and opportunities for us.

While our Board is ultimately responsible for risk oversight at our company, our three Board committees assist our Board in fulfilling its oversight responsibilities in certain areas of risk as further set forth below. Our Board committees report to our Board on significant risks and other matters.

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Executive Sessions

The independent members of our Board meet in executive session (without the participation of executive officers or other non-independent directors) at least two times each year, after a regularly scheduled Board meeting, and at any other time requested by any independent director. Either Co-Chairman of our Board, provided he or she is an independent director, is responsible for calling and presiding over executive sessions. To the extent that either Co-Chairman of our Board is absent or not an independent director, those responsibilities are carried out by the Chairman of our Nominating and Corporate Governance Committee or, if such person is absent or not an independent director, by the independent director present who has the most seniority on our Board.

Committees and Meeting Attendance

During the fiscal year ended December 31, 2011, our Board held five regular meetings, held two special meetings, and acted four times by written consent.

Our Board has an Audit Committee, a Compensation Committee, and a Nominating and Corporate Governance Committee. During the fiscal year ended December 31, 2011, the three committees of our Board held meetings as follows:

our Audit Committee held six meetings and acted one time by unanimous written consent;

our Compensation Committee held four meetings and acted seven times by unanimous written consent; and

our Nominating and Corporate Governance Committee held one meeting and acted two times by unanimous written consent.

In 2011, all directors attended 75% or more of the meetings of our Board and of the committees of our Board on which such director served during the period for which he was a director or committee member. Our Bylaws provide that either or both of the Co-Chairmen of our Board may preside at meetings of our stockholders. Otherwise, we have no requirements for our directors to attend our annual meetings of stockholders. Libin Sun attended our 2011 annual meeting of stockholders.

Committee Composition

The following table sets forth the current membership of our Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committee. Each committee conducts its business pursuant to a written charter approved by our Board, copies of which are available on our website at www.asiainfo-linkage.com. The information contained on our website is not incorporated by reference into this Proxy Statement.

Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee
Yungang Lu*	Sean Shao*	Thomas J. Manning*
Sean Shao	Davin A. Mackenzie	Suning (Edward) Tian
Davin A. Mackenzie	Suning (Edward) Tian	Sean Shao
	Jian (James) Ding	

* Chairman of the committee.

Audit Committee. Our Audit Committee currently consists of Messrs. Lu (Chair), Shao and Mackenzie. Our Audit Committee falls within the definition of audit committee under Section 3(a)(58)(A) of the Securities Exchange Act of 1934, or the Exchange Act. In addition to meeting Nasdaq tests for director independence,

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directors serving on our Audit Committee must meet two basic criteria set forth in the rules promulgated by the SEC. First, Audit Committee members are barred from accepting, directly or indirectly, any consulting, advisory or other compensatory fee from us or any affiliate of us, other than in the member's capacity as a member of our Board and any Board committee. Second, a member of our Audit Committee may not be an affiliated person of us or any subsidiary of us, apart from his or her capacity as a member of our Board and any Board committee. Our Board has determined that each member of our Audit Committee meets these independence requirements, in addition to the independence criteria established by Nasdaq. In addition, our Board has determined that each member of our Audit Committee is an Audit Committee Financial Expert as defined by the SEC in Item 407(d) of Regulation S-K. Our Audit Committee assists our Board in fulfilling its oversight responsibilities with respect to risk management in the areas of financial reporting, internal controls and compliance with legal and regulatory requirements, and, in accordance with Nasdaq requirements, discusses policies with respect to risk assessment and risk management. Our Audit Committee's primary duties and responsibilities include:

appointing and retaining our independent registered public accounting firm, approving all audit, review, and other services to be provided by our independent registered public accounting firm and determining the compensation to be paid for such services;

overseeing the integrity of our financial reporting process and systems of internal controls regarding accounting and finance;

overseeing the qualification, independence, and performance of our independent registered public accounting firm;

reviewing and, if appropriate, approving any related party transactions; and

monitoring compliance with legal and regulatory requirements.

Compensation Committee. Our Compensation Committee currently consists of Messrs. Shao (Chair), Mackenzie, Tian and Ding. Our Board has determined that each member of our Compensation Committee is an independent director, using the definition of that term in the listing standards of Nasdaq, a non-employee director under Rule 16b-3 under the Exchange Act, and an outside director for purposes of Rule 162(m) of the Internal Revenue Code of 1986, as amended, or the IRC. Our Compensation Committee reviews and approves corporate goals and objectives relevant to the compensation of our executive officers, evaluates the performance of executive officers in light of those goals and objectives, and determines and approves the compensation level of executive officers based on this evaluation. Our Compensation Committee, with the assistance of management, also administers our stock option plans and stock incentive plans. Our Compensation Committee assists our Board in fulfilling its oversight responsibilities with respect to the management of risks arising from our compensation policies and programs. For more information regarding our compensation programs and processes, see the discussion below under the heading Compensation Discussion and Analysis.

Nominating and Corporate Governance Committee. Our Nominating and Corporate Governance Committee currently consists of Messrs. Manning (Chair), Tian and Shao. Other than Mr. Manning, our Board has determined that each member of our Nominating and Corporate Governance Committee is an independent director, using the definition of that term in the listing standards of Nasdaq. Effective on the closing of our business combination with Linkage, our Board appointed Mr. Manning as a member and Chair of our Nominating and Corporate Governance Committee. On the basis of the limited and exceptional circumstances described in the remainder of this paragraph, our Board has determined that Mr. Manning's membership on our Nominating and Corporate Governance Committee is required by the best interests of our company and our stockholders. In making this determination, our Board considered all of the facts and circumstances, including the exceptional circumstances relating to our business combination with Linkage and the related changes in the composition of our Board, as well as Mr. Manning's previous experience serving as an independent director on our Nominating and Corporate Governance Committee from January 2006 until October 2009. In particular, the Board considered Mr. Manning's substantial historical knowledge regarding our Nominating and Corporate Governance Committee, its duties, policies and procedures, its oversight of risk relating to corporate governance, and related matters.

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Our Nominating and Corporate Governance Committee makes recommendations to our Board regarding the nomination of candidates to stand for election or re-election as members of our Board, evaluates our Board's performance, provides oversight of corporate governance and ethical standards and establishes and administers Board committee member compensation policy. Our Nominating and Corporate Governance Committee assists our Board in fulfilling its oversight responsibilities with respect to the management of risks associated with board organization, membership and structure, succession planning for our directors and executive officers, and corporate governance.

Compensation Committee Interlocks and Insider Participation

Messrs. Shao, Mackenzie, Tian and Ding served as members of our Compensation Committee during 2011. Messrs. Shao and Mackenzie have never been an officer or employee of ours. Dr. Tian co-founded our company in 1993, served as our President through May 1999, and has served as a member of our Board since our inception. Mr. Ding served as Chairman of our Board between April 2003 and July 2010, has served as a Co-Chairman of our Board since July 2010, and has served as a member of our Board since our inception. No member of our Compensation Committee served as a member of a board of directors or compensation committee of any entity that has one or more executive officers serving as a member of our Board or Compensation Committee during 2011.

Steve Zhang, our President, CEO and a member of our Board, and Libin Sun, our Executive Co-Chairman of our Board, participate in the discussions and decisions regarding salaries and incentive compensation for all of our executive officers, except that Mr. Zhang and Mr. Sun are excluded from discussions regarding their own salary and incentive compensation.

Director Nominations

We have adopted Corporate Governance Guidelines that address the composition of our Board, criteria for Board membership and other Board governance matters. The Corporate Governance Guidelines set out our director nomination process. A copy of our Corporate Governance Guidelines is available on the Investor Relations section of our website at www.asiainfo-linkage.com. The information contained on our website is not incorporated by reference into this Proxy Statement.

Our Nominating and Corporate Governance Committee annually evaluates our Board and its committees, and the needs of our Board for various skills, experience, expected contributions and other characteristics, in determining the director candidates to be nominated at the annual meeting of stockholders. Our Nominating and Corporate Governance Committee evaluates candidates for director proposed by directors, stockholders or management in light of our Nominating and Corporate Governance Committee's views of the current needs of our Board for certain skills, experience or other characteristics, the candidate's background, skills, experience, other characteristics and expected contributions and the qualification standards established from time to time by our Nominating and Corporate Governance Committee. While we do not have a formal diversity policy, our Nominating and Corporate Governance Committee seeks to have directors representing a range of experience, qualifications, skills and backgrounds, consistent with its goal of creating a board of directors that best serves the needs of our company and the interests of our stockholders. Our Nominating and Corporate Governance Committee implements this goal as part of its nomination process and assesses its implementation during both the nomination process and as part of the committee's self-assessment process. If our Nominating and Corporate Governance Committee believes that our Board requires additional candidates for nomination, our Nominating and Corporate Governance Committee may engage, as appropriate, a third-party search firm to assist in identifying qualified candidates. Our Nominating and Corporate Governance Committee also considers candidates for our Board membership proposed by our stockholders. Any such proposals should be made in

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writing to AsiaInfo-Linkage, Inc., 4th Floor, Zhongdian Information Tower, 6 Zhongguancun South Street, Haidian District, Beijing 100086, PRC, Attention: Legal Department. All nominees must submit a completed form of directors and officers questionnaire as part of the nominating process. The process may also include interviews and additional background and reference checks for non-incumbent nominees, at the discretion of our Nominating and Corporate Governance Committee. In making the determinations regarding nominations of directors, our Nominating and Corporate Governance Committee may take into account the benefits of diverse viewpoints as well as the benefits of a constructive working relationship among directors.

Code of Ethics

We have adopted a Code of Ethics that applies to all of our officers, directors and employees. The most recent version is available on the Investor Relations section of our website at www.asiainfo-linkage.com. The information contained on our website is not incorporated by reference into this Proxy Statement. If we make any substantive amendments to the code or grant any waiver from a provision of the code to any executive officer or director, we will promptly disclose the nature of the amendment or waiver on our website, as well as via any other means required by applicable law.

Communications by Stockholders with Directors

Either or both of the Co-Chairmen of our Board may receive and distribute to our Board, and arrange for responses to, communications from stockholders. Stockholders may communicate with any and all of our directors by transmitting correspondence by mail, facsimile or email, addressed as follows:

c/o Corporate Secretary

AsiaInfo-Linkage, Inc.

4th Floor, Zhongdian Information Tower

6 Zhongguancun South Street, Haidian District

Beijing 100086, China

Fax: +8610 8216 6655 or

Email Address: lvsn@asiainfo-linkage.com

Our Corporate Secretary maintains a log of such communications and transmits as soon as practicable such communications to either or both of the Co-Chairmen and the identified director addressee(s), unless there are safety or security concerns that mitigate against further transmission of the communications, as determined by the Corporate Secretary. Our Board or individual directors so addressed are advised of any communication withheld for safety or security reasons as soon as practicable. The Corporate Secretary relays all communications to directors absent safety or security issues.

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**PROPOSAL NO. 2:
RATIFICATION OF APPOINTMENT OF
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

General

Our Board has appointed the firm of Deloitte Touche Tohmatsu CPA Ltd., or Deloitte Touche Tohmatsu, as our independent registered public accounting firm to audit our consolidated financial statements and internal control over financial reporting for the fiscal year ending December 31, 2012, and recommends that stockholders vote for ratification of this appointment. Deloitte Touche Tohmatsu has audited our financial statements since our inception in 1993.

Stockholder ratification of the appointment of Deloitte Touche Tohmatsu as our independent registered public accounting firm is not required by our Bylaws or otherwise. However, our Board is submitting the appointment of Deloitte Touche Tohmatsu to our stockholders for ratification as a matter of good corporate practice. If our stockholders fail to ratify the appointment, our Audit Committee and our Board will reconsider whether or not to retain Deloitte Touche Tohmatsu. Even if the appointment is ratified, our Board in its discretion may direct the appointment of a different independent registered public accounting firm at any time during the year if it determines that such change would be in the best interests of our company and our stockholders. Representatives of Deloitte Touche Tohmatsu are not expected to be present at the Annual Meeting, but we expect that they will participate telephonically, they will have the opportunity to make a statement if they desire to do so, and we expect that they will be available to respond to appropriate questions.

The following discussion describes the fees billed by Deloitte Touch Tohmatsu for services rendered on our behalf during 2011 and 2010. For additional information on the types of fees discussed below, and our Audit Committee's pre-approval procedures, see the discussion below under the heading Audit Committee Report.

Information Regarding Fees

Audit Fees

The aggregate audit fees billed by Deloitte Touche Tohmatsu for the fiscal years ended December 31, 2011 and December 31, 2010 were approximately \$1,872,000 and \$1,996,000, respectively. Services provided include professional services rendered for the audit of our consolidated financial statements included in our Annual Report on Form 10-K, audit of our internal control over financial reporting, reviews of the condensed consolidated financial information included in our Quarterly Reports on Form 10-Q and professional services rendered in connection with our filing of certain registration statements.

Audit-Related Fees

Deloitte Touche Tohmatsu did not bill any fees for audit-related services for the fiscal year ended December 31, 2011. The aggregate audit-related fees billed by Deloitte Touche Tohmatsu for the fiscal year ended December 31, 2010 were approximately \$65,000.

Tax Fees

The aggregate fees billed by Deloitte Touche Tohmatsu for professional services for corporate tax compliance, tax advice and tax planning for the fiscal years ended December 31, 2011 and December 31, 2010 were approximately \$127,000 and \$131,000, respectively.

All Other Fees

Deloitte Touche Tohmatsu did not bill any fees for any other services for either of the fiscal years ended December 31, 2011 and December 31, 2010.

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Vote Required

Approval of this proposal requires the affirmative vote of a majority of the shares present in person or represented by proxy and entitled to vote at the Annual Meeting, assuming a quorum is present. Abstentions and broker non-votes will each be counted as present for purposes of determining the presence of a quorum, but abstentions will have the same effect as voting against the proposal. Banks, brokers and other nominees who have not received voting instructions from their customers with respect to shares held beneficially for such customers may vote such shares on a discretionary basis for the ratification and appointment of Deloitte Touche Tohmatsu as our independent registered public accounting firm for the fiscal year ending December 31, 2012.

Recommendation of Our Board

Our Board recommends that the stockholders vote **FOR** the ratification of the appointment of Deloitte Touche Tohmatsu as our independent registered public accounting firm for the fiscal year ending December 31, 2012.

Table of Contents**MANAGEMENT****Board of Directors and Executive Officers**

The following table sets forth certain information with respect to our current directors and our executive officers:

Board of Directors	Age	Position
Jian (James) Ding	46	Co-Chairman of the Board
Libin Sun	49	Executive Co-Chairman of the Board
Steve Zhang	48	Director
Sean Shao	55	Director
Yungang Lu	48	Director
Davin A. Mackenzie	51	Director
Thomas J. Manning	56	Director
Suning (Edward) Tian	48	Director
Xiwei Huang	41	Director
Executive Officers	Age	Position
Steve Zhang	48	President and Chief Executive Officer
Jun (Michael) Wu	44	Executive Vice President and Chief Financial Officer
Yadong Jin	42	Executive Vice President, Chief Technology Officer and General Manager of Marketing
Guoxiang Liu	48	Executive Vice President
Feng Liu	40	Vice President and General Manager of Research & Development of AsiaInfo-Linkage Technologies Division
Libin Sun	49	Executive Co-Chairman

For biographical summaries of Jian (James) Ding, Yungang Lu and Libin Sun, see the section above entitled "Proposal No. 1: Election of Directors - Nominees for Class I Directors" beginning on page 4 of this Proxy Statement.

Steve Zhang has been our President and Chief Executive