

ASIAINFO-LINKAGE, INC  
Form SC 13D  
August 09, 2013

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

**SCHEDULE 13D**

**Under the Securities Exchange Act of 1934  
(Amendment No. \_\_\_\_\_)\***

AsiaInfo-Linkage Inc.

(Name of Issuer)

Common Shares

(Title of Class of Securities)

04518A104

(CUSIP Number)

Allan L. Towell

BRANDES INVESTMENT PARTNERS, L.P.

11988 EL CAMINO REAL, SUITE 600

SAN DIEGO, CA 92130

858-755-0239

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

August 7, 2013

(Date of Event which Requires Filing of this Statement)

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

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

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

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

CUSIP No. 04518A104 13D Page 2 of 10 Pages

NAMES OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

1. Brandes Investment Partners, L.P.

33-0704072

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(see instructions)

2. (a) ..

(b) ..

3. SEC USE ONLY

SOURCE OF FUNDS (see instructions)

4. OO

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) ..

CITIZENSHIP OR PLACE OF ORGANIZATION

6. Delaware

|     |                          |
|-----|--------------------------|
|     | SOLE VOTING POWER        |
| 7.  | 00,000                   |
|     | SHARED VOTING POWER      |
| 8.  | 3,568,620 Shares         |
|     | SOLE DISPOSITIVE POWER   |
| 9.  | 00,000                   |
|     | SHARED DISPOSITIVE POWER |
| 10. | 3,801,160 Shares         |

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11. 3,801,160 Shares

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

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13.

5.22%

TYPE OF REPORTING PERSON (see instructions)

14.

IA

CUSIP No. 04518A104 13D Page 3 of 10 Pages

NAMES OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

1. Brandes Investment Partners, Inc.

33-0090873

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(see instructions)

2. (a) ..

(b) ..

3. SEC USE ONLY

SOURCE OF FUNDS (see instructions)

4. OO

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) ..

CITIZENSHIP OR PLACE OF ORGANIZATION

6. California

|     |                          |
|-----|--------------------------|
|     | SOLE VOTING POWER        |
| 7.  | 00,000                   |
|     | SHARED VOTING POWER      |
| 8.  | 3,568,620 Shares         |
|     | SOLE DISPOSITIVE POWER   |
| 9.  | 00,000                   |
|     | SHARED DISPOSITIVE POWER |
| 10. | 3,801,160 Shares         |

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11. 3,801,160 Shares are deemed to be beneficially owned by Brandes Investment Partners, Inc., as a control person of the investment adviser. Brandes Investment Partners, Inc. disclaims any direct ownership of the shares reported in this Schedule 13D, except for an amount that is substantially less than one percent of the number of shares reported herein.

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES  
(see instructions) ..  
PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)
13. 5.22%  
TYPE OF REPORTING PERSON (see instructions)
14. CO, OO

CUSIP No. 04518A104 13D Page 4 of 10 Pages

NAMES OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

1. Brandes Worldwide Holdings, L.P.

33-0836630

CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP

(see instructions)

2. (a) ..

(b) ..

3. SEC USE ONLY

SOURCE OF FUNDS (see instructions)

4. OO

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) ..

CITIZENSHIP OR PLACE OF ORGANIZATION

6. Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

7. SOLE VOTING POWER  
00,000  
8. SHARED VOTING POWER  
3,568,620 Shares  
9. SOLE DISPOSITIVE POWER  
00,000  
10. SHARED DISPOSITIVE POWER  
3,801,160 Shares

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

3,801,160 Shares are deemed to be beneficially owned by Brandes

Worldwide Holdings, LP, as a control person of the investment adviser. Brandes Worldwide Holdings, LP disclaims any direct ownership of the shares reported in this Schedule 13D, except for an amount that is substantially less than one percent of the number of shares reported herein.

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

(see instructions) ..  
PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

13.

5.22%  
TYPE OF REPORTING PERSON (see instructions)

14.

PN, OO



CUSIP No. 04518A104 13D Page 5 of 10 Pages

- NAMES OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)
1. Charles H. Brandes  
CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP  
(see instructions)
  2. (a)   
(b)
  3. SEC USE ONLY
  4. SOURCE OF FUNDS (see instructions)  
PF
  5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e)
  6. CITIZENSHIP OR PLACE OF ORGANIZATION  
USA

- |   |                          |
|---|--------------------------|
|   | SOLE VOTING POWER        |
|   | 7. 00,000                |
|   | SHARED VOTING POWER      |
|   | 8. 3,568,620 Shares      |
| NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH | SOLE DISPOSITIVE POWER   |
|   | 9. 00,000                |
|   | SHARED DISPOSITIVE POWER |
|   | 10. 3,801,160 Shares     |

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11. 3,801,160 Shares are deemed to be beneficially owned by Charles H. Brandes, a control person of the investment adviser. Mr. Brandes disclaims any direct ownership of the shares reported in this Schedule 13D, except for an amount that is substantially less than one percent of the number of shares reported herein.
12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES  
(see instructions)
- 13.

PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

5.22%

TYPE OF REPORTING PERSON (see instructions)

14.

IN

CUSIP No. 04518A104 13D Page 6 of 10 Pages

**Item 1. Security and Issuer.**

This statement on Schedule 13D relates to the common shares of AsiaInfo-Linkage Inc., a U.S. corporation (the “Issuer”).

**Item 2. Identity and Background.**

2(a)

- (i) Brandes Investment Partners, L.P.
- (ii) Brandes Investment Partners, Inc.
- (iii) Brandes Worldwide Holdings, L.P.
- (iv) Charles H. Brandes

2(b)

- (i) 11988 El Camino Real, Suite 600, San Diego, CA 92130
- (ii) 11988 El Camino Real, Suite 600, San Diego, CA 92130
- (iii) 11988 El Camino Real, Suite 600, San Diego, CA 92130
- (iv) 11988 El Camino Real, Suite 600, San Diego, CA 92130

2(c)

- (i) Investment Adviser
- (ii) Holding Company
- (iii) Holding Company
- (iv) Chairman of Brandes Investment Partners, L.P.

2(d-e)

During the last five years the reporting persons identified in 2(a)(i)-(vi) have not been convicted in a criminal proceeding (excluding traffic violations and similar misdemeanors) or been a party to any civil proceeding and as a result thereof were not or are not subject to any judgment, decree or final order enjoining future violations of, or

prohibiting or mandating activities subject to, federal or state securities laws or finding any violations with respect to such laws.

2(f)

- (i) Delaware
- (ii) California
- (iii) Delaware
- (iv) USA

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

Shares of the Issuer were previously acquired for and on behalf of clients of Brandes Investment Partners, L.P. in the normal course of its business, using assets of the clients.

**Item 4. Purpose of Transaction.**

The Reporting Persons acquired the Common Shares on behalf of clients for investment purposes. The Reporting Persons have engaged and expect to continue to engage in discussions with the Board of Directors of the Issuer with respect to the Issuer's proposed privatization transaction, which we oppose (see Exhibit A). The Reporting Persons may have engaged, or may in the future also engage, in discussions with management, the Board of Directors, other shareholders of the Issuer and other relevant parties concerning the business, management, operations, assets, financial condition, governance, strategy and future plans of the Issuer in addition to those more specific matters addressed in the previous sentence, which discussions may include proposing or considering one or more of the actions described in subparagraphs (a) – (j) of Item 4 of Schedule 13D. There can be no assurance as to the outcome of any of the discussions referred to in this Schedule 13D.

The Reporting Persons intend to review their investment in the Issuer on a continuing basis. Depending on various factors, including, without limitation, the Issuer's financial position and strategic direction, the Issuer's response to the matters to be discussed with the Reporting Persons, actions taken by management and the Board of Directors, price levels of the Common Shares, other investment opportunities available to the Reporting Persons, concentration of positions in the portfolios managed by the Reporting Persons, conditions in the securities and capital markets and general economic and industry conditions, the Reporting Persons may, from time to time and at any time in the future take such actions with respect to their investments in the Issuer as they deem appropriate, including, without limitation, purchasing additional Common Shares or other financial instruments related to the Issuer or selling some or all of their beneficial or economic holdings with respect to the securities relating to the Issuer and/or otherwise changing their intention with respect to any and all matters referred to in this Item 4 of Schedule 13D.

The Reporting Persons do not have any present plan or proposal that would relate to or result in any of the matters set forth in subparagraphs (a) – (j) of Item 4 of Schedule 13D, except as set forth herein or such as would occur upon completion of any of the actions discussed herein.

**Item 5. Interest in Securities of the Issuer.**

3,801,160 shares are deemed to be beneficially owned by Brandes Investment Partners L.P. and Brandes Investment Partners, Inc, and Brandes Worldwide Holdings, LP, and Charles Brandes (collectively "control persons"), as control persons of the investment adviser, Brandes Investment Partners, L.P. The control persons each disclaim any direct ownership of the shares reported in this Schedule 13D, except for an amount that is substantially less than one percent of the number of shares reported herein.

**Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer.**

None.

**Item 7. Material to Be Filed as Exhibits.**

Exhibit A

Letter addressed to Issuer's Board of Directors

Exhibit B

Disclaimer of Beneficial Ownership

Exhibit C

Power of Attorney for Charles H. Brandes

CUSIP No. 04518A104 13D Page 7 of 10 Pages

**SIGNATURE**

AFTER REASONABLE INQUIRY AND TO THE BEST OF MY KNOWLEDGE AND BELIEF, I CERTIFY THAT THE INFORMATION SET FORTH IN THIS STATEMENT IS TRUE, COMPLETE AND CORRECT.

DATED: [August 9, 2013]

BRANDES INVESTMENT PARTNERS, L.P.

By: */s/ Ian N. Rose*  
Ian N. Rose as Attorney-In-Fact for  
Charles H. Brandes, President of  
Brandes Investment Partners, Inc., a Member

BRANDES INVESTMENT PARTNERS, INC.

By: */s/ Ian N. Rose*  
Ian N. Rose as Attorney-In-Fact for  
Charles H. Brandes, President

BRANDES WORLDWIDE HOLDINGS, L.P.

By: */s/ Ian N. Rose*  
Ian N. Rose as Attorney-In-Fact for  
Charles H. Brandes, President of  
Brandes Investment Partners, Inc., its General Partner

By: */s/ Ian N. Rose*  
Ian N. Rose as Attorney-In-Fact for  
Charles H. Brandes, Control Person



EXHIBIT A Page 8 of 10 Pages

Board of Directors of AsiaInfo-Linkage Inc.

4/F Zhongdian Information Tower No. 6

Zhongguancun South Street

Haidian District, Beijing

China 100086

Dear Sirs:

As you may be aware, Brandes Investment Partners, L.P. (“Brandes”), on behalf of its investment advisory clients, is a significant investor in shares of AsiaInfo-Linkage (“AsiaInfo”). Our clients, in aggregate, currently hold in excess of 5% of the AsiaInfo common shares. As long-term oriented investors, we have a keen interest to realize the value of companies that we invest in, and we believe that board members of AsiaInfo have a similar duty to public shareholders. Hence, we want to convey our opposition to both the voting structure and the price of the proposed privatization transaction.

First, we are deeply disappointed that the Special Committee agreed to CITIC’s request to remove the condition that the transaction would need approval of a majority of the shares held by disinterested shareholders (the “majority of the minority rule”). Because the purchasing consortium has strong presence inside the company via board membership, affiliated relationships and company executive ranks, and because they have a financial interest in establishing a low price, their interests are not aligned with other shareholders. Therefore, we believe that a fair voting process must exclude shares that are held by the purchasing consortium, and that the fiduciary responsibilities of the Special Committee should dictate adherence to the majority of the minority rule. The proposed voting structure is poor governance and we do not believe the rights of minority shareholders can or should be bargained away in the negotiation process. We hereby request that the Special Committee reinstate the majority of the minority rule so that the interests, and views, of minority shareholders can be fairly and fully reflected in a vote on the proposed transaction.

Secondly, we think the proposed transaction price is too low and we disagree with many of the assumptions set forth in the financial analysis provided by Goldman Sachs (many of which changed significantly from March 2012 to May 2013). It is our view that the company is worth considerably more than the amount being offered, and that the combination of a high discount rate, a low growth assumption and use of precedent transactions that are based on cyclically depressed cash flows is undervaluing the long-term prospects of AsiaInfo. As a result, unless the transaction price is revised to something materially above \$12, we intend to vote against the proposed transaction and would support the company continuing to operate as a public company. We would also support actions by AsiaInfo to optimize its operations for purposes of creating long-term value for all shareholders, including re-organization and/or thoughtful equity incentive programs that will align management and shareholder interests.

We would welcome the opportunity to discuss these matters with the Special Committee or other representatives of AsiaInfo.

Regards,

/s/ Yingbin Chen

/s/ Luiz Sauerbronn

Yingbin Chen

Luiz Sauerbronn

Director, Investments Group

Director, Investments Group

Direct: 858.523.3591

Direct: 858.523.3636

[yingbin.chen@brandes.com](mailto:yingbin.chen@brandes.com)

[luiz.sauerbronn@brandes.com](mailto:luiz.sauerbronn@brandes.com)

Brandes Investment Partners, L.P.

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858.755.0239 800.237.7119 Fax 858.755.0916

[www.brandes.com](http://www.brandes.com) [info@brandes.com](mailto:info@brandes.com)

EXHIBIT B Page 9 of 10 Pages

Disclaimer of Beneficial Ownership

Brandes Investment Partners, Inc., Brandes Worldwide Holdings, L.P., and Charles H. Brandes disclaim beneficial interest as to the shares referenced above, except for an amount equal to substantially less than one percent of the shares reported on this Schedule 13D. None of these entities or individuals holds the above-referenced shares for its/his own account except on a de minimis basis.

EXHIBIT C Page 10 of 10 Pages

Power of Attorney for Schedules 13D, 13G and Form 13F

I, Charles Brandes, as director and president of Brandes Investment Partners, Inc., which is a General Partner of Brandes Worldwide Holdings, L.P., and which is also the limited partner of Brandes Investment Partners, L.P., hereby appoint Ian N. Rose as attorney-in-fact and agent, in all capacities, to execute, on my behalf and on behalf of Brandes Investment Partners, Inc., Brandes Investment Partners, L.P., and Brandes Worldwide Holdings, L.P., to file with the appropriate issuers, exchanges and regulatory authorities, any and all Schedules 13D, 13G and Form 13F and documents relating thereto required to be filed under the Securities and Exchange Act of 1934, including exhibits, attachments and amendments thereto and request for confidential treatment of information contained therein in connection with my being a “control person” (as contemplated for purposes of Schedule 13D, 13G and Form 13F) of Brandes Investment Partners, L.P., its subsidiaries and affiliates. I hereby grant to said attorneys-in-fact full authority to do every act necessary to be done in order to effectuate the same as fully, to all intents and purposes, as I could if personally present, thereby ratifying all that said attorneys-in-fact and agents may lawfully do or cause to be done by virtue hereof.

I hereby execute this Power of Attorney as of this 9th day of August, 2013.

/s/Charles H. Brandes

Charles H. Brandes

