

Digital Sky Technologies Eyes Internet Investment in China

By [The Moscow Times](#)

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MONACO — Russian Internet investment group DST Global may make its next big bet in China as it seeks to diversify beyond the United States, where it has bought sizable stakes in Facebook, Zynga and Groupon, its chief executive said.

Yury Milner said the firm had been cultivating relationships in China.

"You cannot make an investment late stage if you just show up at the door and say: 'Here I am.' It takes time, sometimes a year, sometimes more, to basically build this relationship so that people are comfortable with you," he said in an interview. "In China, we're building relationships."

Asked for how long DST had been doing this, Milner answered: "For a while."

He said it was possible that DST's next big deal would be in China, although he declined to

forecast which of the deals the firm was working on would come to fruition first.

DST Global owns about 7.6 percent of Facebook, the world's most popular social network. Its sister company Mail.ru, which became Europe's biggest listed Internet firm when it floated on the London Stock Exchange last week, owns another 2.4 percent. Mail.ru, whose major shareholders include South African media group Naspers and Chinese Web giant Tencent Holding, comprises the Russian operations, built around a large Russian freemail service, while DST Global is the international investment fund.

Milner said DST would continue to make only late-stage investments, to avoid the complications of needing large numbers of people on the ground to spot earlier-stage startups, and the much bigger organization that that would entail.

Asked about DST interest in Twitter, he said: "Well, this is a known name, but there are other known names as well. We cannot comment on anything.

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