

# Yandex Picks Banks for \$1Bln IPO

By [The Moscow Times](#)

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Yandex, the leading Russian search engine and Internet portal, picked Morgan Stanley and Deutsche Bank as underwriters for its planned \$1 billion initial public offering, two people familiar with the decision said.

Yandex may file the IPO with the U.S. Securities and Exchange Commission in weeks and may go public by June, said one of the people, who declined to be identified because the plans aren't public. The company plans to trade on the Nasdaq Stock Market.

Yandex may become one of the largest IPOs of technology companies in 2011, along with Austin, Texas-based chipmaker Freescale Semiconductor. Yandex was planning to go public in 2008, and postponed the offering because of the global economic crisis. Company representatives didn't immediately return requests for comment.

Yandex's web sites attracted the largest number of online unique visitors in Russia in August 2010, according to market researcher ComScore, placing it ahead of properties of such as Google and Microsoft. Web sites of Mail.ru Group, which raised \$912 million in a London IPO

last November, attracted the second largest online audience, ComScore said.

Morgan Stanley's spokesman, Pen Pendleton, declined to comment. Deutsche Bank's spokesman, Scott Helfman, didn't immediately respond to a phone call or e-mail request for comment.

In December 2010, Yandex controlled 55.5 percent of the Russian search market, up from 52.4 percent in the year-ago month, according to ComScore. It also controlled almost a third of searches in Ukraine and a quarter of searches in Kazakhstan, according to Yandex's press releases.

On Oct. 28, Yandex signed a partnership agreement to integrate content from the world's largest social network, Facebook, into its pages. In the past year, the company also introduced Yandex.com, a search engine for English speakers. Yandex had 2,000 employees as of the end of September, according to the company web site.

Yandex also has an office in Palo Alto, California, where, as of September, it employed 14 people, according to its site, including "senior research scientists and engineers with a wealth of research and development experience from top U.S. search engine companies, such as Yahoo! and Google." The California division is hiring for five positions.

In 2010, Yandex's revenue rose 43 percent to \$410 million from a year earlier, according to the company's preliminary unaudited financial results. The number of advertisers on Yandex increased by more than 40 percent year on year, to more than 180,000.

Renren.com, China's largest social-networking service, also is preparing for a U.S. IPO this year, according to three people with knowledge of the plan. That offering may be for about \$500 million, the people said.

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