

# \$1.1Bln for New Fund Considered

By [The Moscow Times](#)

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Baring Vostok Capital Partners, one of the original investors in Yandex, is planning a new fund later this year, founding partner Michael Calvey told Reuters.

The Russia-focused private equity partnership, which was set up in 1994 and landed its biggest coup with the Yandex listing, would seek to raise \$1.1 billion for its fifth fund, the same size as the last capital-raising in 2007.

Based on Wednesday's market close Yandex is now 750 times the original valuation given by Baring Vostok when it led an investor group that bought into the Internet startup in 2000 — when it had revenue of just \$72,000 and lost \$2 million.

Calvey said that, with its existing capital now 60 percent invested, Baring Vostok was preparing the ground to launch the new fund late this year or early next year.

"It takes longer for any private equity firm to raise new funds these days compared with 2007, and we don't want to have a gap between funds during which we can't execute on new

opportunities," the 44-year-old American said in an interview.

Calvey is the only non-Russian partner at Baring Vostok, which has a 19-company portfolio concentrated on fast-growing service sectors such as information technology, health care, retail, media and financial services.

The company prefers niche players and specialist equipment producers and avoids investments where it might clash with large state-controlled firms, enabling it to steer clear of Kremlin politics and transparency issues.

"Actually it's not that relevant for the type of companies we invest in," Calvey said. "When you avoid those kinds of issues, you reduce the potential problems by 90 percent."

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