

Vkontakte IPO Said to Be Delayed

By [The Moscow Times](#)

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Vkontakte, the largest Russian social-networking website, has put plans for an initial public offering on hold, two people with knowledge of the matter said.

The Internet company, which was evaluating initial public offering plans in June last year, has not yet hired banks to help sell its shares, said the two people, who asked not to be identified because the discussions were private. It may restart the IPO process as soon as the market becomes favorable, the people said.

Vkontakte was considering selling shares in New York this year, people familiar with the plans said last June, a move that would have followed the \$1.3 billion New York IPO of Yandex, the owner of the most popular Russian search engine. A third person said a Vkontakte IPO could still happen this year, if the euro region's debt crisis is resolved.

Vkontakte did not respond to repeated requests for comment.

Vkontakte is backed by Mail.ru Group, which also owns a stake in Facebook and is led by

chairman Yury Milner. On its website, Vkontakte says it has more than 110 million registered users, about 70 percent of whom reside in Russia.

In December, Vkontakte was caught in a conflict between Russian authorities and protesters nationwide over alleged election fraud.

Pavel Durov, founder of the social network, said at the time that the company had been asked by the Federal Security Service, also known as the FSB, to block opposition groups on its site.

In an exchange with another commenter later published on Vkontakte's website, Durov said the company was apolitical, and would prefer to remove threats of physical violence made by users rather than block opposition groups.

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