

Facebook IPO Could Boost Mail.ru

By [The Moscow Times](#)

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Shares of Internet company Mail.ru Group could rise as a result of the initial public offering planned by social-networking site Facebook, a VTB Capital report said.

Mail.ru Group owns 2.38 percent of Facebook, which said in a filing to U.S. regulators Wednesday that it seeks to raise up to \$5 billion in an IPO. According to media reports, the company is hoping for a valuation of \$75 billion to \$100 billion.

Given such a high valuation, the share price of Mail.ru Group could rise 7 percent to 13 percent from its current level, the VTB Capital report said, Vedomosti reported Thursday.

Mail.ru Group is run by investor Yury Milner, who also runs Internet investment group Digital Sky Technologies. Milner's investment firm became known internationally after buying a \$200 million stake in Facebook in May 2009.

The Facebook IPO prospectus said the social network's penetration is less than 15 percent of Russian Internet users, on par with the number of Facebook users in Japan and South

Korea.

Russia's most popular social network is the Facebook look-alike Vkontakte, which is backed by Mail.ru Group. Vkontakte was considering an IPO but has put off its plans, Bloomberg reported Monday.

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