

Baring Vostok Funds Pocket \$327M From Yandex Stake Sale

By [The Moscow Times](#)

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fuFunds advised by private equity company Baring Vostok have made a huge profit after selling off a 3 percent stake in Yandex for \$327 million, a move that reflects a growing trend among the search engine's shareholders.

A notification sent to the U.S. Securities and Exchange Commission showed that the sale took place around Aug. 29, Vedomosti reported Tuesday.

The sale was managed by BC&B Holdings, which holds the shares on behalf of the investment funds.

The Baring Vostok funds have steadily reduced their stake in the Internet company from 16 percent on Dec. 31, 2012, to about 7 percent after the latest sale.

The funds were the largest sellers during Yandex's second public offering in March, grossing

\$413.6 million through the sale of a 5.5 percent stake.

They have made profits of about \$900 million through the sale of shares in Yandex since 2000, when they paid just \$5 million for 35.7 percent of the company.

Yandex's total value has exploded in that time, from less than \$15 million in 2000 to about \$11.25 billion.

Now is a particularly favorable time to sell shares in Yandex, as its stock price continues to rise despite a faltering economy, UralSib analyst Konstantin Belov said.

A number of long-term shareholders have taken this route, including the American hedge and private equity fund Tiger Global Management, which sold its entire 5.5 percent stake in the company for \$329 million in 2012.

Yandex's sustained growth can be credited to an upsurge in online advertising, which is the company's primary source of income, Belov said.

Sales of contextual advertising grew by 37 percent in the first half of 2013 compared to 13 percent in media advertising, the Russian Association of Communications Agencies said.

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