

# Facebook investor DST comes with ties to Alisher Usmanov and the Kremlin

Three Goldman Sachs bankers, Alexander Tamas, Verdi Israelian and John Lindfors joined DST over the past three years

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Alisher Usmanov, the Uzbek oligarch, has an undisclosed stake in DST, the Russian firm behind Goldman Sachs' \$450m investment in Facebook. Photograph Ria Novosti/AP

Digital Sky Technologies, the Russian firm behind Goldman Sachs's \$450m (£290m) investment in Facebook, boasts an eye-catching set of relationships of its own – including close ties with the investment bank, billionaire Arsenal suitor Alisher Usmanov and the Kremlin.

Three well known Goldman bankers have joined DST over the past three years: Alexander Tamas in 2008; Verdi Israelian in 2009; and John Lindfors last June, while Goldman led November's \$5.7bn flotation of Russian internet business Mail.ru, which was spun out of DST last year.

DST was founded by Yuri Milner, pictured right, and Gregory Finger in 2005 and the company initially bought 2% of Facebook for £200m in 2009. That stake is now owned by Mail.ru but some estimates now put DST's stake at almost 10%. DST will pick up \$50m of Goldman's \$450m investment, which will be held through its DST Global division along with other internet investments including Zynga and Groupon.

Usmanov, the Uzbek oligarch who owns 27% of Arsenal football club, has an undisclosed stake in DST Global. He also owns 27% of Mail.ru, which entitles him to two representatives Vladimir Streshinsky and Matthew Hammond – on the company's nine-strong board. DST has admitted that its association with a man who spent a spell in Soviet prison during the 1980s [see footnote] initially caused "a lot of reservations" in Silicon Valley, although the company appears to have few such problems in Russia.

A Moscow source said: "DST has the backing of the big boys at the top in the Kremlin, which is why it will go from strength to strength."

A DST spokesman said: "Yuri Milner in his personal capacity is a member of the president's commission on modernisation. In this capacity he acts as an adviser on the promotion of broadband development and electronic government in Russia. However, there is no substance to the suggestion that DST receives any formal support from the Kremlin."

● This article was amended on Friday, 14 January 2011. We have removed the phrase : "albeit on charges he claims were trumped up". Furthermore Mr Alisher Usmanov has asked us to point out that all charges in relation to the six years he spent in prison were dismissed by the Supreme Court of the Republic of Uzbekistan and he was fully exonerated in 2000. His criminal record was expunged.

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