

Italian pacemaker firm Sorin to merge with Cyberonics

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The Italian manufacturer of pacemakers Sorin announced Thursday it plans to merge with US medical device firm Cyberonics, creating a new company valued at around 2.4 billion euros (\$2.7 billion).

The all-stock transaction would lead to the new firm being 46 percent held by Sorin shareholders and 54 percent by those of Cyberonics. The combined turnover would be around 1.3 billion euros, Sorin said in a statement.

The proposed merger has been unanimously approved by the board of directors of the two companies. The new entity—to be named prior to closing of the transaction—will employ around 4,500 people in more than 100 countries.

It will focus on three areas: [cardiac surgery](#), cardiac rhythm management (pacemakers, defibrillators, etc.), especially in Europe and Japan, and neuromodulation, a speciality of Cyberonics which develops technologies for the electrical stimulation of nerves used in treating epilepsy and some forms of depression.

"As one company we will be able to leverage our combined strengths, capture new opportunities and create new solutions to benefit patients and healthcare professionals alike," said Sorin chief executive Andre-Michel Ballester, who will serve as chief executive of the merged company with Cyberonics chief Dan Moore as non-executive chairman.

Based in Britain, the new company will be listed in London and on the Nasdaq.

The transaction, pending approvals by the shareholders of both companies and regulators, is expected to be completed in the third quarter of this year.

After the announcement of the merger, shares of Sorin soared 19.49 percent to 2.62 euros in early trading on the Milan stock market.

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