



## Better-Than-Expected Results Send These Stocks Soaring

### Description

February 21 was a good day — for markets, for many individual stocks, and for investors.

With earnings season producing numerous examples of companies that continue to thrive in this economic environment, the good days are clearly still here.

Here is a review of some of the companies that are producing [stellar results](#) and whose stocks are rallying off them:

#### **Canadian Imperial Bank of Commerce** ([TSX:CM](#))([NYSE:CM](#))

Along with better-than-expected results, Canadian Imperial Bank of Commerce [increased its quarterly dividend](#) by \$0.03 to \$1.33 per share, as adjusted EPS increased 10% to \$3.18.

These robust results were driven by strength across all businesses.

The acquisition of U.S. firm PrivateBancorp helped boost the results, and there were strong results across the board. Provisions for credit losses were better than expected and better than last year, as the economy has strengthened along with the price of oil.

#### **CCL Industries Inc.** ([TSX:CCL.B](#))

The stock rallied almost 10% off very strong results that saw revenue rise 19.2%, with organic growth of 3.9%, and 14.9% of the growth coming from acquisitions, mainly the Innovia acquisition.

This growth was fueled by CCL's legacy business, where revenue increased 16% and EBITDA increased 31%, as margins increased to 23% from 20.4% last year.

On to cash flows, where we see another strong performance from a company that has a track record of very robust cash flow growth as well as dividend growth.

Free cash flow for the year increased 29% to \$438.3 million for a free cash flow yield of 9%.

## **Snc-Lavalin Group Inc. (TSX:SNC)**

Snc reported a 55% increase in EPS, increased EBITDA margins that came in above the company's own targets (8.6% versus 7%), as well as strong fourth-quarter results that saw operational improvements take hold.

The stock rallied 4.5% off of these results. It has been somewhat of a comeback story after the corruption scandal that engulfed the company just a few years ago. The stock has a 37% return since January 2016.

It seems like more is to come, as the stock remains attractively valued, with a good balance sheet and increasing margins.

## **Cineplex Inc. ([TSX:CGX](#))**

It's nice to see that Cineplex has also managed to post a solid, better-than-expected quarter, with revenue increasing 10.6% and EPS increasing 22.8%.

The drivers were steady box office results and very strong revenue from the "other" segment, where revenue increased 26.2%. Media and amusement revenues were 17% and 34% higher, respectively.

At this point, Cineplex's box office-related revenue represents 43% of total revenue — a far cry from levels just a few years ago, as the company's attempt to diversify its business continues to progress successfully.

This is a great business with relatively steady cash flows from the box office acting as an anchor for the rest of the business.

## **CATEGORY**

1. Bank Stocks
2. Dividend Stocks
3. Investing

## **TICKERS GLOBAL**

1. NYSE:CM (Canadian Imperial Bank of Commerce)
2. TSX:ATRL (SNC-Lavalin Group)
3. TSX:CCL.B (CCL Industries)
4. TSX:CGX (Cineplex Inc.)
5. TSX:CM (Canadian Imperial Bank of Commerce)

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