



BlackBerry (TSX:BB) Stock Beats Estimates as Cybersecurity Demand Increases

Description

BlackBerry ([TSX:BB](#))([NYSE:BB](#)) beat analyst estimates on Tuesday after the company saw an increase in cybersecurity demand, boosting profit and revenue.

- Total company revenue came in at \$184 million.
- Of that, cybersecurity revenue took up \$128 million in revenue.
- The company reached profitability, reporting net profit of \$74 million.

What happened?

Canadian software company BlackBerry beat analyst estimates on Tuesday, reporting third-quarter revenue of \$184 million for the quarter. This was down from \$218 million the year earlier, but the company still [managed](#) to report a profit of \$74 million.

This is a big improvement from the \$130 million loss the year before, with higher expected revenue than analyst predictions of \$177.25 million. The company continued to also push its QNX software, moving along several key partnerships with automakers.

What did management say?

Chief Executive Officer John Chen called the third quarter “solid,” with revenue growth beating expectations for yet another consecutive quarter. This also included earnings, even as the company continues to invest in its overall business.

“In IoT our QNX business achieved a quarterly record for design-related revenues, performing stronger than expected despite ongoing industry supply chain headwinds,” Chen said. “On the Cybersecurity front we saw further traction for our recent unified endpoint security product launches with additional head-to-head wins against other next-gen players. I am excited about how the current organization is executing to take advantage of the market opportunities.”

Now what?

The work-from-home demand doesn't seem to be decreasing. Honestly, while it's before the market at the time of this article, we could see a rise in share price. This comes from the Omicron variant continuing to push Canadians (and the world) back into [pandemic](#) mode.

Of that, we'll likely see another increase in demand for cybersecurity products offering by BlackBerry. And that means right now, the stock remains in a strong position — especially as it continues to make partnerships with enterprise companies for its QNX software.

It's this demand that could see the company soar in the years to come. As electric vehicle use increases, these companies want to make sure their data is protected. Enter BlackBerry with a combination of its cybersecurity business and QNX software.

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