

Big names see big Q4 gains

David Pett, Financial Post Published: Thursday, March 06, 2008

Story Tools

Canada's largest companies shrugged off credit woes and recession fears in the fourth quarter of 2007, as profits soared 43% over the same period last year, according to the latest profit survey by the Financial Post DataGroup.

Spurred on by rising commodity prices, in particular oil and gold, the country's energy and materials sector -- mostly comprising mining companies -- helped lead the charge, growing year-over-year by 44% and 25%, respectively.

But it was the telecommunications sector that took the cake, with profits rising 160% year-over-year, thanks to BCE Inc. (BCE/TSX). BCE's bottom line grew 233% on the strength of its Telesat sale. Nortel Networks, meanwhile, single-handedly took down profits in the information technology sector, after its net loss increased 809% from the previous year. Financials were also hit hard, with combined profits dropping 1%.

Canadian companies also enjoyed a 7% increase in revenue in the quarter. The health-care sector. MDS Inc. (MDS/TSX), the lone wolf surveyed, had the biggest gain, of 28%, while the energy sector came second with a gain of 23%. The consumer staples sector saw revenues dropped, by 2%.

The survey results are based on the 149 companies that have reported to date from the S&P/TSX Composite Index.

dpett@nationalpost.com