EDISON INTERNAT'L NYSE-EIX

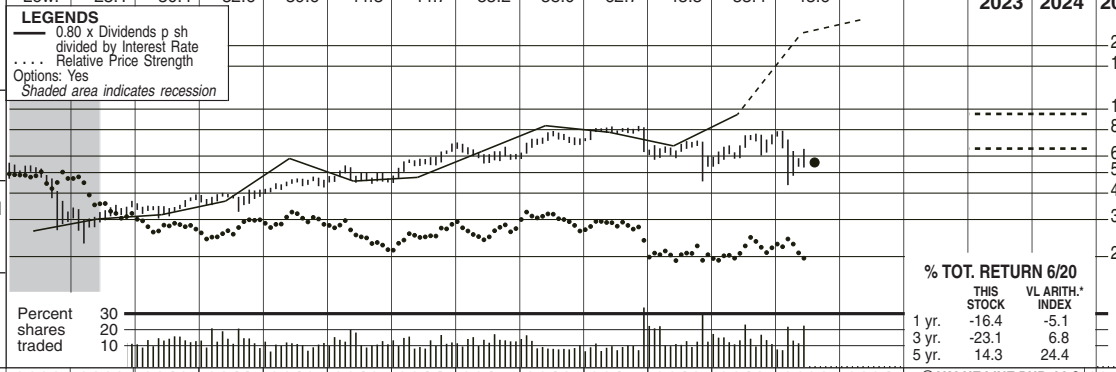
RECENT PRICE **55.98** | P/E RATIO **13.7** (Trailing: 14.5 / Median: 14.0) | RELATIVE P/E RATIO **0.67** | DIV'D YLD **4.6%** | VALUE LINE

TIMELINESS 3 Raised 8/30/19
SAFETY 3 Lowered 11/23/18
TECHNICAL 3 Raised 7/24/20
BETA .90 (1.00 = Market)

High:	36.7	39.4	41.6	48.0	54.2	68.7	69.6	78.7	83.4	71.0	76.4	78.9
Low:	23.1	30.4	32.6	39.6	44.3	44.7	55.2	58.0	62.7	45.5	53.4	43.6

Target Price Range 2023 | 2024 | 2025

LEGENDS
— 0.80 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded area indicates recession



18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$45-$113	$79 (40%)

2023-25 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	95	(+70%)	17%
Low	65	(+15%)	8%

Institutional Decisions

	3Q2019	4Q2019	1Q2020
to Buy	339	328	274
to Sell	231	243	304
Hld's(000)	316321	325429	318333

Percent shares traded 30 20 10

% TOT. RETURN 6/20

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-16.4	-5.1
3 yr.	-23.1	6.8
5 yr.	14.3	24.4

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	© VALUE LINE PUB. LLC	23-25
31.30	36.38	38.74	40.25	43.31	37.98	38.09	39.16	36.41	38.61	41.17	35.37	36.43	37.81	38.85	34.11	*31.75*	*33.35*	Revenues per sh	*39.25*
3.79	6.99	7.25	7.60	8.08	7.96	8.41	9.03	9.63	8.80	9.95	10.35	10.43	11.03	4.69	9.15	*10.30*	*10.85*	"Cash Flow" per sh	*12.75*
.69	3.34	3.28	3.32	3.68	3.24	3.35	3.23	4.55	3.78	4.33	4.15	3.94	4.51	d1.26	3.98	*4.10*	*4.25*	Earnings per sh A	*5.25*
.80	1.02	1.10	1.18	1.23	1.25	1.27	1.29	1.31	1.37	1.48	1.73	1.98	2.23	2.43	2.48	*2.58*	*2.68*	Div'd Decl'd per sh B ■	*3.00*
5.32	5.73	7.78	8.67	8.67	10.07	13.94	14.76	12.73	11.05	11.99	12.97	11.46	11.75	13.84	13.47	*13.25*	*14.30*	Cap'l Spending per sh	*14.25*
18.57	20.30	23.66	25.92	29.21	30.20	32.44	30.86	28.95	30.50	33.64	34.89	36.82	35.82	32.10	36.75	*39.10*	*40.65*	Book Value per sh C	*46.50*
325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	361.99	*378.00*	*378.00*	Common Shs Outst'g D	*378.00*
37.6	11.7	13.0	16.0	12.4	9.7	10.3	11.8	9.7	12.7	13.0	14.8	17.9	17.2	- -	16.7	*Bold figures are*		Avg Ann'l P/E Ratio	*15.0*
1.99	.62	.70	.85	.75	.65	.66	.74	.62	.71	.68	.75	.94	.87	- -	.90	*Value Line*		Relative P/E Ratio	*.85*
3.1%	2.6%	2.6%	2.2%	2.7%	4.0%	3.7%	3.4%	3.0%	2.8%	2.6%	2.8%	2.8%	2.9%	3.8%	3.7%	*estimates*		Avg Ann'l Div'd Yield	*3.8%*

CAPITAL STRUCTURE as of 3/31/20
Total Debt $21301 mill. **Due in 5 Yrs** $5647 mill.
LT Debt $19125 mill. **LT Interest** $896 mill.
(LT interest earned: 2.3x)
Leases, Uncapitalized Annual rentals $107 mill.
Pens. Assets-12/19 $3755 mill. **Oblig** $4139 mill.
Pfd Stock $2193 mill. **Pfd Div'd** $121 mill.
4,800,198 sh. 4.08%-4.78%, $25 par, call. $25.50-$28.75/sh.; 3,250,000 sh. variable, noncum., call. $100; 1,250,000 sh. 6.5%, cum., $100 liq. value; 350,000 sh. 6.25%, $1000 liq. value; 460,012 sh. 5.1%-5.75%, $2500 liq. value.
Common Stock 363,560,677 shs. **as of 4/27/20**
MARKET CAP: $20 billion (Large Cap)

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021		23-25
12409	12760	11862	12581	13413	11524	11869	12320	12657	12347	*12000*	*12600*	Revenues ($mill)	*14800*
1153.0	1112.0	1594.0	1344.0	1539.0	1480.0	1422.0	1603.0	d290.0	1477.0	*1645*	*1725*	Net Profit ($mill)	*2100*
32.1%	25.7%	14.3%	25.2%	22.4%	6.6%	11.1%	5.0%	- -	NMF	*Nil*	*Nil*	Income Tax Rate	*Nil*
16.9%	14.8%	8.5%	7.8%	5.8%	8.0%	6.8%	7.2%	- -	11.1%	*10.0%*	*10.0%*	AFUDC % to Net Profit	*8.0%*
51.8%	55.3%	45.2%	45.7%	44.1%	45.0%	41.8%	45.6%	53.6%	53.5%	*53.5%*	*55.0%*	Long-Term Debt Ratio	*58.0%*
44.3%	40.6%	46.2%	46.2%	47.2%	46.7%	49.2%	45.8%	38.3%	39.9%	*40.5%*	*39.5%*	Common Equity Ratio	*37.5%*
23861	24773	20422	21516	23216	24352	24362	25506	27284	33360	*36500*	*39025*	Total Capital ($mill)	*47200*
24778	32116	30273	30455	32981	35085	37000	39050	41348	44285	*46900*	*49800*	Net Plant ($mill)	*57700*
6.3%	6.0%	8.9%	7.3%	7.7%	7.1%	6.9%	7.3%	.1%	5.6%	*5.5%*	*5.5%*	Return on Total Cap'l	*6.0%*
10.0%	10.0%	14.2%	11.5%	11.9%	11.1%	10.0%	11.6%	NMF	9.5%	*9.5%*	*10.0%*	Return on Shr. Equity	*10.5%*
10.4%	10.5%	15.9%	12.5%	13.0%	12.0%	10.8%	12.7%	NMF	10.2%	*10.5%*	*10.5%*	Return on Com Equity E	*11.0%*
6.5%	6.3%	11.4%	8.1%	8.8%	7.2%	5.6%	6.6%	NMF	4.1%	*4.0%*	*4.0%*	Retained to Com Eq	*5.0%*
40%	43%	32%	40%	37%	44%	53%	52%	NMF	63%	*65%*	*66%*	All Div'ds to Net Prof	*60%*

ELECTRIC OPERATING STATISTICS

	2017	2018	2019
% Change Retail Sales (KWH)	+.2	-.4	-2.7
Avg. Indust. Use (MWH)	643	667	657
Avg. Indust. Revs. per KWH (¢)	NA	NA	NA
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	23508	23766	22009
Annual Load Factor (%)	48.8	48.0	49.6
% Change Customers (yr-end)	+.7	+.6	+.5
Fixed Charge Cov. (%)	241	NMF	172

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '17-'19 to '23-'25
Revenues	-1.0%	-1.0%	*1.0%*
"Cash Flow"	.5%	-2.5%	*7.5%*
Earnings	-3.5%	-10.5%	*NMF*
Dividends	7.0%	11.5%	*4.0%*
Book Value	2.0%	2.5%	*5.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2017	2463	2965	3672	3220	12320
2018	2564	2815	4269	3009	12657
2019	2824	2812	3741	2970	12347
2020	2790	*2710*	*3700*	*2800*	*12000*
2021	*2800*	*2900*	*3900*	*3000*	*12600*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2017	1.11	.85	1.43	1.12	4.51
2018	.82	.84	1.57	d4.49	d1.26
2019	.64	1.57	1.35	.45	3.98
2020	.50	*1.30*	*1.45*	*.85*	*4.10*
2021	*.70*	*1.20*	*1.50*	*.85*	*4.25*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	.48	.48	.48	.48	1.92
2017	.5425	.5425	.5425	.5425	2.17
2018	.605	.605	.605	.605	2.42
2019	.6125	.6125	.6125	.6125	2.45
2020	.6375	.6375			

BUSINESS: Edison International (formerly SCECorp) is a holding company for Southern California Edison Company (SCE), which supplies electricity to 5.1 mill. customers in a 50,000-sq.-mi. area in central, coastal, & southern CA (excl. Los Angeles & San Diego). Edison Energy is an energy svcs. co. Disc. Edison Mission Energy (independent power producer) in '12. Elec. rev. breakdown: residential, 39%; commercial, 43%; industrial, 4%; other, 14%. Generating sources: nuclear, 8%; gas, 7%; hydro, 5%; purchased, 80%. Fuel costs: 39% of revs. '19 reported depr. rate: 3.6%. Has 12,500 empls. Chairman: William P. Sullivan. Pres. & CEO: Pedro J. Pizzaro. Inc.: CA. Address: 2244 Walnut Grove Ave., P.O. Box 976, Rosemead, CA 91770. Tel.: 626-302-2222. Web: www.edison.com.

Edison International's utility subsidiary has a general rate case pending. Southern California Edison filed for increases of $1.109 billion (11.4%) for 2021, $423 million for 2022, and $514 million for 2023. The California Public Advocates proposed hikes of $458 million in 2021, $242 million in 2022, and $250 million in 2023, and recommended the approval of roughly 90% of SCE's proposed capital spending. Even if an order doesn't come by yearend, any rate relief the utility receives will be retroactive to the start of 2021.

Our 2020 earnings estimate is below the company's targeted range of $4.32-$4.62 a share for "core" earnings. Edison International's guidance excludes charges the company books for the amortization expense stemming from a fund utilities contributed to in order to address the potentially huge liabilities associated with wildfires in California. This amounted to $60 million after taxes in the March quarter. Note that the coronavirus should have little effect on the company's income because its revenues and volume are decoupled and it should be able to defer related costs for future recovery.

The company has completed its financing plans for 2020. Earlier this year, the parent and SCE issued $2.7 billion of long-term debt. Any debt the utility issues subsequently will be for refinancing. Edison International also sold $900 million of common stock (up from $800 million previously expected), and stated that its equity needs will be "minimal" beyond this year. Because of these significant financing moves, we estimate only a modest increase in share net next year, despite the benefit of rate relief from the aforementioned general rate case.

Wildfires in California continue to be an investment concern. The company took a big reserve in the fourth quarter of 2018 and a much-smaller charge in the same period of 2019 for potential liabilities stemming from wildfire damage. Additional charges might well occur. At least the aforementioned fund should help meet costs associated with future wildfires.

The stock's yield is about a percentage point above the utility average. Total return potential to 2023-2025 is modest, but above average for the group.

Paul E. Debbas, CFA *July 24, 2020*

(A) Dil. EPS. Excl. nonrec. gains (losses): '04, $2.12; '09, (64¢); '10, 54¢; '11, ($3.33); '13, ($1.12); '15, ($1.18); '17, ($1.37); '18, (15¢); '19, (21¢); gains (loss) from disc. ops.: '12, ($5.11); '13, 11¢; '14, 57¢; '15, 11¢; '18, 10¢. '19 EPS don't sum due to chng. in shs. Next earnings report due late July. (B) Div'ds paid late Jan., Apr., July, & Oct. ■ Div'd reinv. plan avail. (C) Incl. def'd charges. In '19: $16.82/sh. (D) In mill. (E) Rate base: net orig. cost. Rate all'd on com. eq. in '20: 10.3%; earned on avg. com. eq., '19: 11.5%. Regulatory Climate: Avg.

Company's Financial Strength	B+
Stock's Price Stability	75
Price Growth Persistence	60
Earnings Predictability	5

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